

Gorani Industries Ltd.



XXIVth Annual Report
2018-19



Gorani Industries Ltd.

Board of Directors

Anil Gorani	Chairman & Whole Time Director
Sanjay Gorani	Managing Director
Nakul Gorani	Whole Time Director
Shyam Sunder Jhavar	Independent Director (Up to 5.10.18)
Manpreet Kaur Hora	Independent Director (Up to 1.1.19)
Komal Motwani	Independent Woman Director
Vikram Rajkumar Khandelwal	Independent Director (Since 5.10.18)
Raina Goyal	Non-Executive Director (Since 1.1.19)

Auditor

M/s. Sneha Sharda & Co.
Chartered Accountants.

Chief Financial Officer

Chandra Shekhar Sharma

Bankers

Central Bank of India
Siyaganj, Indore

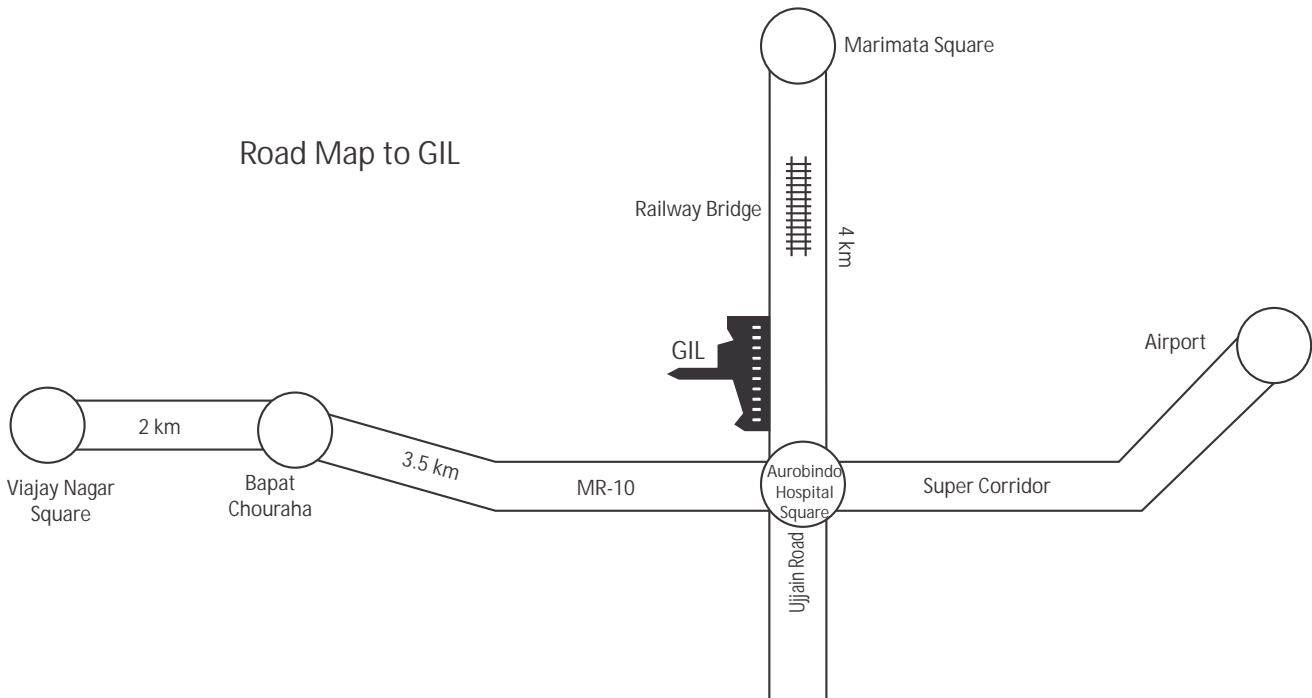
Company Secretary

Neerja Mandiya
(since 18.12.17)

Registered Office

Plot No. 32-33, Sector F,
Sanwer Road, Industrial Area,
INDORE - 452 015 (M.P.)
CIN - L28121MP1995PLC009170
GSTIN - 23AAACG6274B1Z2

Road Map to GIL





NOTICE

NOTICE IS HEREBY GIVEN THAT the Twenty Fourth Annual General Meeting of the members of the Company Gorani Industries Limited will be held at Plot No.32-33, Sector 'F' Sanwer Road, Industrial Area, Indore on Friday, the 27th day of September, 2019 at 12:00 P.M. to transact the following business:

ORDINARY BUSINESS:

1. To consider and adopt the audited financial statements of the Company for the financial year ended March 31st, 2019, the reports of the Board of Directors and Auditors thereon.
2. To appoint a director in place of Mr. Anil Gorani (Holding DIN: 00055540), Whole-time Director, who retires by rotation and being eligible, offers himself for reappointment.

SPECIAL BUSINESS:

3. To consider and if thought fit, to pass with or without modification the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 read with Schedule IV to the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014, Mr. Vikram Rajkumar Khandelwal (Holding DIN: 00040202), who was appointed as an Additional Director designated as Independent Director of the Company and holds office upto the date of this Annual General Meeting and who is eligible for appointment as an Independent Director, be and is hereby appointed as an Independent Director of the Company to hold office for a period of five years w.e.f. 05th October, 2018, and that he will not liable to retire by rotation."

4. To consider and if thought fit, to pass with or without modification the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Sections 152 and other applicable provisions, if any, of the Companies Act, 2013 read with Companies (Appointment and Qualification of Directors) Rules, 2014, including any statutory amendment(s) or re-enactment(s) thereof, Ms. Raina Goyal (Holding DIN: 08295368), be and is hereby appointed as Non-Executive Director of the Company who was appointed

as an Additional Non-executive Director of the Company in the Board Meeting held on 01st January, 2019 to holds office upto the date of this Annual General Meeting in terms of Section 161 of the Companies Act, 2013 and as per Articles of Association of the Company."

5. To consider and if thought fit, to pass with or without modification the following resolution as an Ordinary Resolution:

"RESOLVED THAT subject to the provisions of Section 196, 197, 198, 203 and other applicable provisions of the Companies Act, 2013, if any, read with Schedule V of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), consent of the members of the company be and is hereby accorded to re-appoint Mr. Sanjay Gorani (Holding DIN- 00055531) as Managing Director of the Company for a period of 3 years w.e.f 1st June, 2019 to 31st May, 2022 on the monthly remuneration of Rs. 2,00,000.00 (Rupees Two Lakh only) and will be liable to retire by rotation, and such retirement by rotation and reappointment shall not be deemed to constitute a break in his appointment as Managing Director of the company.

RESOLVED FURTHER THAT the Managing Director shall be responsible for overall supervision of the company's operations, day to day administration, appointment and termination of the company's employees and for regular reporting of the company's activities to the Board of Directors and for performing the duties that may be delegated to the Managing Director from time to time, subject to the overall supervision and control of the Board of Directors.

RESOLVED FURTHER THAT Board of Directors of the Company be and is hereby authorized to alter and vary the terms and conditions of the appointment including that as to remuneration, perquisites and other benefits / amenities so that the altered terms and conditions shall be in conformity with Schedule V to the Companies Act, 2013 and /or other applicable provisions, if any, as may be amended from time to time and agreeable to Mr. Sanjay Gorani.

RESOLVED FURTHER THAT all the Directors of the Company be and are hereby authorized to do all such acts, deeds, matters and things as he may in his sole



and absolute discretion, deem necessary, expedient, usual or proper and to settle any question, doubt or difficulty that may arise with regard to the above resolution or any other matter incidental or consequential thereto.”

6. To consider and if thought fit, to pass with or without modification the following resolution as an Ordinary Resolution:

“RESOLVED THAT subject to the provisions of Section 196, 197, 198 and other applicable provisions of the Companies Act, 2013, if any, read with Schedule V of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), consent of the members of the company be and is hereby accorded to re-appoint Mr. Nakul Gorani (Holding DIN- 06543317) as the Whole time Director of the Company for a period of 3 years w.e.f 1st June, 2019 to 31st May, 2022 on the monthly remuneration of Rs. 1,50,000.00 (Rupees One Lakh Fifty Thousand only) and will be liable to retire by rotation, and such retirement by rotation and reappointment shall not be deemed to constitute a break in his appointment as Whole Time Director of the company.

RESOLVED FURTHER THAT Board of Directors of the Company be and is hereby authorized to alter and vary the terms and conditions of the appointment including that as to remuneration, perquisites and other benefits / amenities so that the altered terms and conditions shall be in conformity with Schedule V to the Companies Act, 2013 and /or other applicable provisions, if any, as may be amended from time to time and agreeable to Mr. Nakul Gorani.

RESOLVED FURTHER THAT all the Directors of the Company be and are hereby authorized to do all such acts, deeds, matters and things as he may in his sole and absolute discretion, deem necessary, expedient, usual or proper and to settle any question, doubt or difficulty that may arise with regard to the above resolution or any other matter incidental or consequential thereto.”

By Order of the Board
for Gorani Industries Limited

Date: 7th August, 2019
Place: Indore

Anil Gorani
Sd/-

(Holding DIN 00055540)
(Chairman cum Whole Time Director)



NOTES :

1. The Statement setting out the material facts relating to Special Business at the meeting pursuant to section 102 of the Companies Act, 2013 is annexed hereto.
2. As required by Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 a brief profile of Director seeking appointment/re-appointment at ensuing Annual General Meeting is given:

Particulars	Anil Gorani	Vikram Rajkumar Khandelwal
Date of Appointment	14/03/1995	05/10/2018
Qualifications	Graduate in B.E. electronics	Graduate in commerce
Expertise in specific functional areas	More than 30 years of experience in the field of steel engineering industry, production and promotion of products	Experience of 20 years in automobile sector
Relationship with Directors	None	None
Directorships held in other listed companies (excluding foreign companies and Section 8 companies)	NIL	NIL
Memberships / Chairmanships of committees of other listed companies (includes only Audit Committee and Stakeholders' Relationship Committee.)	NIL	NIL
Number of shares held in the Company (in case of non executive director)	NA	0

Particulars	Sanjay Gorani	Nakul Gorani
Date of Appointment	14/03/1995	20/03/2013
Qualifications	Post Graduate in M.A. (Economics)	Masters in Management
Expertise in specific functional areas	He has rich experience in the marketing, operation and working of the company.	Practical experience of Six years in Marketing, Management and is being associated with the Company from past Six years
Relationship with Directors	None	None
Directorships held in other listed companies (excluding foreign companies and Section 8 companies)	NIL	NIL
Memberships / Chairmanships of committees of other listed companies (includes only Audit Committee and Stakeholders' Relationship Committee.)	NIL	NIL
Number of shares held in the Company (in case of non executive director)	NA	NA



Particulars	Raina Goyal
Date of Appointment	01/01/2019
Qualifications	Company Secretary
Expertise in specific functional areas	She has rich experience of legal matters relating to Company Law.
Relationship with Directors	None
Directorships held in other listed companies (excluding foreign companies and Section 8 companies)	NIL
Memberships / Chairmanships of committees of other listed companies (includes only Audit Committee and Stakeholders' Relationship Committee.)	NIL
Number of shares held in the Company (in case of non executive director)	0

3. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY.

The instrument appointing the proxy, in order to be effective, must be deposited at the Company's Registered Office, duly completed, stamped and signed, not less than FORTY EIGHT hours before the commencement of the Annual General Meeting (AGM).

A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.

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 pursuant to Section 113 of Companies Act, 2013 authorizing their representative to attend and vote on their behalf at the Meeting.

In case of joint holders attending the meeting, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote.

4. Members, Proxies and Authorised Representatives are requested to bring to the meeting, the

Attendance Slip enclosed herewith, duly completed and signed, mentioning therein details of their DP ID and Client ID / Folio No.

5. During the period beginning 24 hours before the time fixed for the commencement of the AGM and until the conclusion of the meeting, a member would be entitled to inspect the proxies lodged during the business hours of the Company Provided that not less than three days notice in writing is given to the Company.
6. Relevant documents referred to in the notice are available for inspection at the Registered Office of the Company on all working days, except Saturdays, Sundays and other holidays at any time during Business hours up to the date of the Annual General Meeting.
7. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under section 170 of the Companies Act, 2013, will be available for inspection by the members at the AGM.
8. The Registers 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.
9. The Register of Members and the Share Transfer Books of the Company will remain closed from Saturday, 21st September, 2019 to Friday, 27th September, 2019 (both days inclusive).

Members may also note that the Notice of the 24th AGM and the Gorani Industries Annual Report 2018-



- 19 will be available on the Company's website www.goraniindustries.com.
10. Members holding shares in dematerialized form are requested to intimate all changes pertaining to their bank details such as bank account number, name of the bank and branch details, MICR code and IFSC code, mandates, nominations, power of attorney, change of address, change of name, e-mail address, contact numbers, etc., to their depository participant (DP). Changes intimated to the DP will then be automatically reflected in the Company's records which will help the Company and the Company's Registrars and Transfer Agents, M/s Link Intime India Private Limited to provide efficient and better services. Members holding shares in physical form are requested to intimate such changes to Registrar and Share Transfer Agents of the Company i.e. M/s Link Intime India Private Limited.
 11. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participant with whom they are having demat accounts. Members holding shares in physical form are requested to submit PAN details to the Company/Registrar.
 12. As per Regulation 40 of SEBI Listing Regulations, as amended, securities of listed companies can be transferred only in dematerialized form with effect from April 1, 2019, except in case of request received for transmission or transposition of securities. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Members can contact the Company or M/s Link Intime India Private Limited (Registrar and Transfer Agent) for assistance in this regard.

SEBI vide Press Release dated 27th March, 2019 has clarified that the share transfer deed(s) once lodged prior to the deadline of 31st March, 2019 and returned due to deficiency in documents submitted, may be re-lodged for transfer.
 13. Members seeking any information with regard to the accounts are requested to write to the Company at an early date, so as to enable the Management to keep the information ready at the AGM.
 14. Entrance Pass and Proxy Form is annexed. Members are requested to affix their signature at the space provided in the entrance pass and hand over the same at the entrance to the place of meeting.
 15. Members are requested to quote their Folio Number / Demat Account Number and contact details such as email address, contact number and complete address in all correspondence with the Company/Company's Registrar.
 16. As per the provisions of Section 72 of the Act, the facility for making nomination is available for the Members in respect of the shares held by them. Members who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13. The said form can be downloaded from the Company's website www.goraniindustries.com (under 'Investors' section). Members holding shares in physical form may submit the same to Link Intime India Private Limited.
 17. Members holding shares in electronic form may submit the same to their respective depository participant.
 18. The Notice of the AGM along with the Annual Report 2018-19 is being sent by electronic mode to those Members whose e-mail addresses are registered with the Company / Depositories, unless any Member has requested for a physical copy of the same. For Members who have not registered their e-mail addresses, physical copies are being sent by the permitted mode. Members may note that this Notice and the Annual Report 2018-19 will also be available on the Company's website viz. www.goraniindustries.com.
 19. Government of India in Ministry of Corporate Affairs has announced "Green initiative in the Corporate Governance" by permitting the Companies to send the Balance Sheet, Profit & Loss Account, Boards' Report, and Auditors' Report etc. to their members through email instead of sending physical copies. Members are requested to support the Green Initiative by the Government and get their email addresses registered with their Depository Participants in case of shares held in demat form and with the Company/Link Intime India Private Limited (Registrars) in case of shares held in physical form.
 20. A route map showing directions to reach the venue of the 24th Annual General Meeting is given along with



this Annual Report as per the requirement of the Secretarial Standards- 2 on General Meetings.

- 21. Pursuant to Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time, the Company is pleased to provide its members the facility of 'remote e-voting' (e-voting from a place other than venue of the AGM) to exercise their right to vote at the 24th Annual General Meeting (AGM). The business may be transacted through e-voting services rendered by Central Depository Services (India) Limited (CDSL), on all resolutions set forth in this Notice. Resolution(s) passed by Members through e-voting is/are deemed to have been passed as if they have been passed at the AGM.

The facility for voting, either through electronic voting system or through ballot/polling paper shall also be made available at the venue of the 24th AGM. The members attending the meeting, who have not already cast their vote through remote e-voting shall be able to exercise their voting rights at the meeting. The members who have already cast their vote through remote e-voting may attend the meeting but shall not be entitled to cast their vote again at the AGM.

The Board of Directors of the Company has appointed Manish Jain & Co., Practicing Company Secretaries as the Scrutinizer for conducting the remote e-voting and the voting process at the AGM in a fair and transparent manner. In terms of requirements of the Companies Act, 2013 and the relevant Rules, the Company has fixed September 20th, 2019 (Friday) as the 'Cut-off Date'. The remote e-voting rights of the shareholders/ beneficial owners shall be reckoned on the equity shares held by them as on the Cut-off Date i.e. September 20th, 2019 only.

The instructions for shareholders voting electronically are as under:

- i. The voting period begins on Tuesday on 24th September, 2019 at 09:00 A.M. and ends on Thursday on 26th September, 2019 at 05:00 P.M. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date i.e. 20th September, 2019, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

- ii. Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- iii. The shareholders should log on to the e-voting website www.evotingindia.com.
- iv. Click on Shareholders.
- v. Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- vi. Next enter the Image Verification as displayed and Click on Login.
- vii. 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.
- viii. If you are a first time user follow the steps given below:

	For Members holding shares in Demat Form and Physical Form
PAN	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> • 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.



<p>Dividend Bank Details OR Date of Birth (DOB)</p>	<p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.</p> <ul style="list-style-type: none"> • If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (v).
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- ix. After entering these details appropriately, click on "SUBMIT" tab.
- x. 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.
- xi. For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- xii. Click on the EVSN for the relevant <GORANI INDUSTRIES LIMITED> on which you choose to vote.
- xiii. 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.
- xiv. Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- xv. 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.
- xvi. Once you "CONFIRM" your vote on the resolution,

you will not be allowed to modify your vote.

- xvii. You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- xviii. If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- xix. Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store, Windows and Apple smart phones. Please follow the instructions as prompted by the mobile app while voting on your mobile.
- xx. Note for Non – Individual Shareholders and Custodians
 - Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
 - The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- xxi. 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.

Other Instructions:

- I. The e-voting module shall be disabled by CDSL for voting after 5.00 P.M. on 26th September, 2019. Members holding shares in physical or in demat form as on 20th September, 2019 shall only be eligible for e-voting.



- II. The voting rights of Members shall be in proportion to the shares held by them in the paid up equity share capital of the Company as on 20th September, 2019.
- III. Any person, who acquires shares of the Company and becomes a Member of the Company after dispatch of the Notice and holding shares as of the cut-off date, may obtain the login ID and password by sending a request at helpdesk.evoting@cdslindia.com. However, if he/she is already registered with CDSL for remote e-voting then he/she can use his/ her existing User ID and password for casting the vote.
- IV. CS Manish Jain, Practicing Company Secretary (Membership No: FCS 4651 CP No: 3049) (Address: 1st Floor, 236, Anoop Nagar, Indore (M.P.) 452008) has been appointed as the scrutinizer to conduct the e-voting process.
- V. The Scrutinizer, after scrutinizing the votes cast at the meeting and through remote e-voting, will, not later than 48 hours of conclusion of the Meeting, make a consolidated scrutinizer's report and submit the same to the Chairman. The results declared along with the consolidated scrutinizer's report shall be placed on the website of the Company www.goraniindustries.com and on the website of CDSL. The results shall simultaneously be communicated to BSE Limited where the shares of the Company are listed.
- VI. The Scrutinizer shall, within a period not exceeding three working days from the conclusion of the e-voting period, unblock the votes in the presence of atleast two witnesses not in the employment of the Company and make out a Scrutinizer's Report of the votes cast in favour of or against, if any, forthwith to the Chairman of the Company.
- VII. The resolutions shall be deemed to be passed on the date of Annual General Meeting of the Company, subject to receipt of sufficient votes.
- VIII. You can also update your mobile number and Email Id in the user profile details of the folio which may be used for sending communication(s) regarding CDSL e-voting in future. The same may be used in case the Member forgets the password and the same need to be reset.

Contact Details :

Company	Gorani Industries Limited Registered Office: Plot No.32-33, Sector 'F' Sanwer Road, Industrial Area, Indore-452015 (M.P.) Tel No: 0731-2723201-3 Email id: gorani.industries@yahoo.com CIN: L28121MP1995PLC009170
Registrar and Share Transfer Agent	M/s Link Intime India P. Ltd. C-101, 1st Floor, 247 Park, Lal Bahadur Shastri Marg, Vikhroli (West) Mumbai 400083 Tel: 022- 49186000, Fax: 022- 49186060 Email Id: rnt.helpdesk@linkintime.co.in
E-voting Agency	Central Depository Services (India) Ltd Email id: helpdesk.evoting@cdslindia.com
Scrutinizer	CS Manish Jain Practicing Company Secretary Email Id: manishjainandco@yahoo.com

Statement to be annexed with the notice under Section 102 of the Companies Act, 2013

As required by Section 102 of the Companies Act, 2013, (hereinafter referred to as "the Act") the following Statements set out all material facts relating to the business mentioned under Item Nos. 3 to 6 of the accompanying Notice dated 07th August, 2019.

ITEM NO. 3

Mr. Vikram Rajkumar Khandelwal (Holding DIN: 00040202), who was appointed as an Additional Director designated as an Independent Director of the Company on 05th October, 2018 and holds office upto the date of this Annual General Meeting and in respect of whom the company has received a notice in writing from a member proposing him as a candidate for the office of director in terms of provisions of Section 160 of the Companies Act, 2013 appointed as an Independent Director of the Company to hold office for a term upto five consecutive years w.e.f. 05th October, 2018, and is not liable to retire by rotation.

Mr. Vikram Rajkumar Khandelwal (Holding DIN: 00040202), age 48 years, is a Graduate in commerce, and is in the line of business of construction finance. He has an experience of 20 years in automobile sector. Therefore, it will be in the interest



of the Company to have him as the Director designated as an Independent Director on the terms and condition as set out in the letter for appointment. During the year, Mr. Vikram Rajkumar Khandelwal has attended 5 (Five) Board Meetings of the Company. Further, he also holds directorship in following Companies:

S.No.	Name of the Company	Designation
1	Samarkand Finance Private Limited	Director
2	Deep Purple Finvest Private Limited	Director
3	Khandelwal Vehicles Private Limited	Director
4	Dreamz City Homes Private Limited	Director

In the opinion of the Board, Mr. Vikram Rajkumar Khandelwal (Holding DIN: 00040202) fulfils the conditions specified in the Companies Act, 2013 and rules made thereunder for his appointment as an Independent Director of the Company and is independent of the management. Copy of the draft letter for appointment of Mr. Vikram Rajkumar Khandelwal (Holding DIN: 00040202) as an Independent Director setting out the terms and conditions would be available for inspection without any fee by the members at the Registered Office of the Company during normal business hours on any working day, excluding Saturday.

The Board considers that his association would be of immense benefit to the Company and it is desirable to avail services of Mr. Vikram Rajkumar Khandelwal (Holding DIN: 00040202) as an Independent Director. Accordingly, the Board recommends the resolution in relation to appointment of Mr. Vikram Rajkumar Khandelwal (Holding DIN: 00040202) as an Independent Director, for the approval by the shareholders of the Company.

Except Mr. Vikram Rajkumar Khandelwal (Holding DIN: 00040202), being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out at Item No. 3.

ITEM NO. 4

Ms. Raina Goyal (Holding DIN: 08295368), who was appointed as an Additional Non-executive Director of the Company on 01st January, 2019 and holds office upto the date of this Annual General Meeting and in respect of whom the company has received a notice in writing from a member

proposing her as a candidate for the office of director in terms of provisions of Section 160 of the Companies Act, 2013 appointed as Director of the Company.

Ms. Raina Goyal (Holding DIN: 08295368), age 24 years, is a Company Secretary by profession. She has a practical experience of legal matters relating to Companies Act. Therefore, it will be in the interest of the Company to have her as the Non-Executive Director on the terms and condition as set out in the letter for appointment. During the year, Ms. Raina Goyal has attended 3 (Three) Board Meetings of the Company.

The Board considers that her association would be of immense benefit to the Company and it is desirable to avail services of Ms. Raina Goyal (Holding DIN: 08295368) as a Non-Executive Director. Accordingly, the Board recommends the resolution in relation to appointment of Ms. Raina Goyal (Holding DIN: 08295368) as Director, for the approval by the shareholders of the Company.

Except Ms. Raina Goyal (Holding DIN: 08295368), being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out at Item No. 4.

ITEM NO. 5

Mr. Sanjay Gorani (Holding DIN: 00055531) has been associated with the Company since its inception. He has rich experience in the marketing, operation and working of the company.

In view of the overall growth of company under leadership of Mr. Sanjay Gorani, the Company has achieved extra-ordinary growth in performance in competitive environment. Significant improvements were noted in sales turnover, cost reduction, operational efficiencies, and bottom line figures.

The Board of Directors of the Company at its meeting held on 28th May, 2019, on the recommendation of Nomination and Remuneration Committee and subject to approval of Shareholders in General Meeting has re-appointed Mr. Sanjay Gorani (Holding DIN-00055531) as Managing Director of the Company for a period of 3 years commencing from 1st June, 2019 to 31st May, 2022 on a monthly remuneration of Rs. 2,00,000.00 (Rupees Two Lacs Only) on the terms and conditions set out in this resolution.

As per the provisions of Sections 196, 197, 198 and Schedule V and other applicable provisions of the Companies Act,



2013, the appointment and remuneration of Managing Director requires the approval of the shareholders in General Meeting by way of Ordinary resolution.

The broad information pursuant to Section - II of Part- II of Schedule V of the Companies Act, 2013, in respect of the resolution specified in item no.5 is as under:

I. General Information

1. The company is in the business of production and sales of Kitchen and Home appliances and Kitchenware manufacturing and retailing is one such sector within the overall household segment. Its main products are LPG stoves, induction cooker, gas geyser etc. carrying the brand name of Blowhot and Online.
2. Date of commencement of commercial production: The commercial production of the company has already been started.
3. The Company is not a new company hence this clause is not applicable.
4. Financial Performance:

Particulars	Year ended on 31/03/2019	Previous Year ended on 31/03/2018
Sales (Net of Excise Duty)	20,41,52,957.00	20,31,91,088.00
Other Income	9,34,209.00	9,02,947.00
Gross profit	1,25,82,632.00	1,10,63,545.00
Finance Cost	19,46,040.00	11,20,324.00
Depreciation	24,21,196.00	21,35,830.00
Exceptional Items (charged to P&L account)	0.00	0.00
Net profit before Tax	82,15,396.00	78,07,391.00
Provision for Tax- Current Tax	15,17,950.00	0.00
MAT Credit	(6,09,593.00)	0.00
Deferred Tax	16,61,502.00	0.00
Net Profit after Tax	56,45,537.00	78,07,391.00

5. The company does not have any foreign direct investment or collaboration. However, meager shares are held by NRI.

II. Information about the appointee:

1. Background

Mr. Sanjay Gorani (Holding DIN: 00055531), age 54 years, is a Post Graduate in M.A. (Economics), and also has rich experience in the marketing,

operation and working of the company. His knowledge in marketing and experience in management has helped the company in scaling new heights. Therefore, it will be in the interest of the Company to have him as the Managing Director on the terms and condition as set out in the resolution.

2. A comparison of past remuneration and the proposed remuneration is given below:

Particulars	Existing remuneration	Proposed remuneration w.e.f. 01/06/2019(Rs.)
Basic Salary	1,50,000/- Per Month	2,00,000/- Per Month
Allowances and perquisites	As decided by Board from time to time	As decided by Board from time to time

3. Recognition and Awards: NIL
4. Job profile and his suitability – Considering his knowledge of various aspects relating to the Company's affairs and long business experience, the Board of Directors is of the opinion that for smooth and efficient running of the business, the services of Mr. Sanjay Gorani should be available to the Company.
5. Remuneration proposed - As set out in the ordinary resolution in item no. 5. The remuneration to Managing Director has the approval of the Nomination and Remuneration Committee.
6. Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be w.r.t. the country of his origin) - Taking into consideration the size of the Company, the profile of Mr. Sanjay Gorani, the responsibilities shouldered on him, the aforesaid remuneration package is commensurate with the remuneration package paid to managerial position in other Companies.
7. Pecuniary relationship directly or indirectly with the company, or relationship with managerial personnel, if any – Mr. Sanjay Gorani is Managing Director of the company. He also holds 6,49,300 (Six Lakh Forty Nine Thousand Three Hundred) equity shares of Rs.10/- each. He does not have any other pecuniary relationship with the Company.



8. During the year, Mr. Sanjay Gorani has attended 8 (Eight) Board Meetings of the Company.
9. Directorship in other Companies

S. No.	Name of the Company
1.	Blow Hot Kitchen Appliances Private Limited

III. Other Information:

1. Reason of loss or inadequate profits: To increase the turnover of the company the management kept the profit margin on a lower side.
2. Steps taken for improvement: The Company is making all possible efforts to increase its profitability in future by increasing profit margin and cost cutting.
3. Expected increase in productivity and profits in measurable terms: The Company is hopeful that within coming year's profit margin will increase.

IV. Disclosures:

1. The Shareholders of the Company shall be informed of the remuneration package of the managerial person: Yes
2. The following disclosures shall be mentioned in the Board of Director's report under the heading "Corporate Governance", if any attached to the annual report: Not Applicable.

The Board of Directors recommends the resolutions for your approval as set out under item no. 5 as an Ordinary Resolution.

Except Mr. Sanjay Gorani and their relatives, none of the Directors, Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out at item no. 5.

ITEM NO. 6

Mr. Nakul Gorani (Holding DIN- 06543317) is director of the Company since last 6 years. He leads the core team that drives the growth and performance of the Company and he has contributed significantly in increasing sales turnover of the Company. He has single handedly mentored the Company. He takes care for brand building of the Company. He has excellent grasp and thorough knowledge and experience of general management

Keeping in view his untiring effort the Board of Directors of the Company at its meeting held on 28th May, 2019, on the recommendation of Nomination and Remuneration

Committee and subject to approval of Shareholders in General Meeting has re-appointed Mr. Nakul Gorani (Holding DIN- 06543317) as the Whole time Director of the Company for a period of 3 years w.e.f 1st June, 2019 to 31st May, 2022 on the monthly remuneration of Rs. 1,50,000.00 (Rupees One Lakh Fifty Thousand only) on the terms and conditions set out in this resolution.

As per the provisions of Sections 196, 197, 198 and Schedule V and other applicable provisions of the Companies Act, 2013, the appointment of and remuneration to Whole-time Director requires the approval of the shareholders in General Meeting by way of Ordinary resolution.

The broad information pursuant to Section - II of Part- II of Schedule V of the Companies Act, 2013, in respect of the resolution specified in item no. 6 is as under:

V. General Information

1. The company is in the business of production and sales of Kitchen and Home appliances and Kitchenware manufacturing and retailing is one such sector within the overall household segment. Its main products are LPG stoves, induction cooker, gas geyser etc. carrying the brand name of Blowhot and Online.
2. Date of commencement of commercial production: The commercial production of the company has already been started.
3. The Company is not a new company hence this clause is not applicable.
4. Financial Performance:

(In Rupees)

Particulars	Year ended on 31/03/2019	Previous Year ended on 31/03/2018
Sales (Net of Excise Duty)	20,41,52,957.00	20,31,91,088.00
Other Income	9,34,209.00	9,02,947.00
Gross profit	1,25,82,632.00	1,10,63,545.00
Finance Cost	19,46,040.00	11,20,324.00
Depreciation	24,21,196.00	21,35,830.00
Exceptional Items (charged to P&L account)	0.00	0.00
Net profit before Tax	82,15,396.00	78,07,391.00
Provision for Tax- Current Tax	15,17,950.00	0.00
MAT Credit	(6,09,593.00)	0.00
Deferred Tax	16,61,502.00	0.00
Net Profit after Tax	56,45,537.00	78,07,391.00



5. The company does not have any foreign direct investment or collaboration. However, meager shares are held by NRI.

VI. Information about the appointee:

1. Background

Mr. Nakul Gorani (Holding DIN:06543317), age 29 years, is a Masters in Management having Practical experience of Six years in Marketing, Management and is being associated with the Company from past Six years. He has rich and varied experience in the industry and has been involved in the operations of the Company.

2. A comparison of past remuneration and the proposed remuneration is given below:

Particulars	Existing remuneration	Proposed remuneration w.e.f. 01/06/2019 (Rs.)
Basic Salary	1,00,000/- Per Month	1,50,000/- Per Month
Allowances and perquisites	As decided by Board from time to time	As decided by Board from time to time

3. Recognition and Awards: NIL
4. Job profile and his suitability – As an Executive Director he is charged with the responsibility of enhancing the value of the Brand of the Company. He looks after the Overall affairs of the Company. Therefore, it will be in the interest of the Company to have him as the Whole time Director on the terms and condition as set out in the resolution
5. Remuneration proposed - As set out in the ordinary resolution in item no. 6. The remuneration to Whole time Director has the approval of the Nomination and Remuneration Committee.
6. Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be w.r.t. the country of his origin) - Taking into consideration the size of the Company, the profile of Mr. Nakul Gorani, the responsibilities shouldered by him, the aforesaid remuneration package is commensurate with the remuneration package paid to managerial position in other Companies.

7. Pecuniary relationship directly or indirectly with the company, or relationship with managerial personnel, if any – Mr. Nakul Gorani is Whole Time Director of the company. He does not have any other pecuniary relationship with the Company.

8. During the year, Mr. Nakul Gorani has attended 8 (Eight) Board Meetings of the Company.

9. Directorship in other Companies - NIL

VII. Other Information:

1. Reason of loss or inadequate profits: To increase the turnover of the company the management kept the profit margin on a lower side.
2. Steps taken for improvement: The Company is making all possible efforts to increase its profitability in future by increasing profit margin and cost cutting.
3. Expected increase in productivity and profits in measurable terms: The Company is hopeful that within two to three years profit margin will increase.

VIII. Disclosures:

1. The Shareholders of the Company shall be informed of the remuneration package of the managerial person: Yes
2. The following disclosures shall be mentioned in the Board of Director's report under the heading "Corporate Governance", if any attached to the annual report: - Not Applicable
The Board of Directors recommends the resolutions for your approval as set out under item no. 6 as an Ordinary Resolution.
Except Mr. Nakul Gorani and their relatives, none of the Directors, Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out at item No. 6.

By Order of the Board
for Gorani Industries Limited

Date: 07th August, 2019
Place: Indore

Anil Gorani
Sd/-

(Holding DIN 00055540)
(Chairman cum Whole Time Director)



BOARD'S REPORT

To,
The Members,
Gorani Industries Limited

Your Directors have great pleasure in presenting herewith the Twenty Fourth Annual Report of your Company together with the audited financial statement for the financial year ended on 31st March, 2019.

1. FINANCIAL RESULTS: (Amount in Lacs)

Particulars	2018-19		2017-18	
Total Revenue		2050.87		2040.94
Profit before Finance Cost, Depreciation & Amortization Expense	-	125.82	-	110.63
Less:				
Finance Costs	19.46		11.20	
Depreciation & Amortization expense	24.21	43.67	21.36	32.56
Net Profit/(Loss) before extra ordinary & exceptional items & tax	-	82.15	-	78.07
Tax Expense				
Current Tax	15.18	-	0.00	-
MAT Credit	(6.09)		0.00	
Deferred Tax	16.61	25.70	0.00	0.00
Net Profit/ (Loss) after tax before Other Comprehensive Income		56.45		78.07
Add :				
Comprehensive Income	6.14	6.14	4.78	4.78
Net Profit	-	62.59	-	82.85
Transfer to Reserve		0.00		0.00

INDIAN ACCOUNTING STANDARD (Ind AS):

As mandated by the Ministry of Corporate Affairs, the Company has adopted Indian Accounting Standards ("Ind AS") from April 1, 2017 with a transition date of April 1, 2016. The financial statements of the Company for the financial year 2018-19 have been prepared in accordance with Ind AS, prescribed under Section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules, 2015 and other recognized accounting practices and policies to the extent applicable.

The profit for the year is adjusted against the previous years'

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

2. PERFORMANCE AND THE STATE OF COMPANY'S AFFAIRS:

Your Company has achieved total revenue of Rs. 2050.87 lakh during the year ended 31st March, 2019 as against that of Rs. 2040.94 lakh during the previous year ended 31st March, 2018, with a rise of 0.4865% as compared to previous year. The company has earned net profit of Rs. 62.59 Lakh during the financial year against net profit of Rs. 82.85 Lakh in the previous year.

The company is in the business of production and sales of kitchen and home appliances since 1996. Its main products are LPG stoves, steel frames, gas geyser, rangehood chimney etc. carrying the brand name of Blowhot. It does its business through a strong network of dealer and distributors all over central, south and north India. The company is in the process of implementing strategies to capitalize available opportunities.

No material changes and commitments have occurred after the close of the year till the date of this Report, which affect the financial position of the Company.

3. LISTING ON STOCK EXCHANGES

The Company shares are listed on BSE Limited.

4. SHARE CAPITAL

The paid up Equity share capital of the Company as at 31st March, 2019 is Rs. 4,87,51,000.00. During the year, the Company has forfeited 5,62,900 partly-paid up equity shares of the Company due to non-payment of allotment money of Rs. 5/- per share (as reduced by the excess application money, if any) along with interest due thereon.

5. TRANSFER TO RESERVE, IF ANY

During the year, the Company does not propose to transfer any amount from profit to the Reserve. However, the amount of Rs. 29,01,000/- (Rupees



Twenty Nine Lac One Thousand Only) forfeited from 5,62,900 partly paid up equity share were credited to capital reserve.

6. DIVIDEND:

To conserve the resources of the company and for better utilization of funds, your directors are not recommending any dividend for the year.

7. DIRECTORS AND KEY MANAGERIAL PERSONNEL

During the year, Ms. Manpreet Kaur Hora (Holding DIN- 08094579) who was appointed as an Additional Director of the Company w.e.f 11th April, 2018 was confirmed as Director of the Company at the Annual General Meeting held on 28th September, 2018.

Further, Mr. Shayam Sunder Jhawar (Holding DIN: 02424283) and Ms. Manpreet Kaur Hora (Holding DIN- 08094579), Independent Directors of the Company, have resigned w.e.f. 05th October, 2018 and 01st January, 2019 respectively. The Board has extended its gratitude to Mr. Shayam Sunder Jhawar and Ms. Manpreet Kaur Hora for their association, dedication and commitment towards Company as Independent Directors.

The Board of Directors on recommendation of the Nomination and Remuneration Committee appointed Mr. Vikram Rajkumar Khandelwal (Holding DIN: 00040202) as an Additional Director designated as an Independent Director w.e.f. 05th October, 2018 and Ms. Raina Goyal (Holding DIN: 08295368) as an Additional Non-executive Director w.e.f 01st January, 2019, who holds office upto the date of forthcoming Annual General Meeting

The Company has received declarations from all the Independent Directors of the Company confirming that they meet with the criteria of independence as prescribed both under Sub-Section (6) of Section 149 of the Companies Act, 2013.

The Company has devised a Policy for performance evaluation of Independent Directors, Board, Committees and other individual Directors which include criteria for performance evaluation of the

non-executive directors and executive directors.

8. RE-APPOINTMENT

As per the provision of Companies Act, 2013, Mr. Anil Gorani (Holding DIN- 00055540) Whole-time Director, retires by rotation at the ensuing Annual General Meeting and being eligible, seeks re-appointment. The Board recommends his re-appointment.

The Board of Directors on recommendation of the Nomination and Remuneration Committee re-appointed Mr. Sanjay Gorani (Holding DIN- 00055531) as Managing Director and Mr. Nakul Gorani (Holding DIN- 06543317) as the Whole time Director for a period of 3 years w.e.f 1st June, 2019 to 31st May, 2022, subject to approval of the members of the Company.

9. NOMINATION AND REMUNERATION POLICY AND OTHER DETAILS:

The Company has adopted a Nomination and Remuneration Policy for the Directors, Key Managerial Personnel and other employees, pursuant to the provisions of the Act. The policy of the Company on Directors appointment and remuneration including criteria for determining qualification, positive attribute, independence of director and other matters, as required under sub-section (3) of section 178 of the Companies Act 2013 is available on Company's website at the link: <http://www.goraniindustries.com/investors/>.

There has been no change in the policy since last fiscal year. We affirm that the remuneration paid to the directors is as per the terms laid out in the nomination and remuneration policy of the company.

The nomination and remuneration policy is annexed herewith as Annexure-I to this Boards' Report.

There is no pecuniary relationship or transactions between the Company and the non-executive directors other than sitting fees, commission, and reimbursement of expenses incurred by them for the purpose of attending meetings of the Company.



10. EXTRACT OF ANNUAL RETURN

The details forming part of the extract of the Annual Return in Form MGT-9, as required under Section 92 of the Act, is annexed as Annexure-II which forms an integral part of this Report and is also available on the Company's website viz <http://www.goraniindustries.com/investors/>.

11. AUDITORS AND THEIR REPORT

M/s. Sneha Sarda & Company, Chartered Accountants, was appointed as Statutory Auditors of the Company in 22nd Annual General Meeting held on 29th September, 2017, to hold office for a period of five consecutive financial years from the conclusion of Twenty Second Annual General Meeting till the conclusion of Twenty Seventh Annual General Meeting.

In accordance with the Companies Amendment Act, 2017, enforced on May 7, 2018 by the Ministry of Corporate Affairs, the appointment of Statutory Auditors is not required to be ratified at every Annual General Meeting. In view of such omission of proviso, ratification of Statutory Auditors is not required and M/s. Sneha Sarda & Company, Chartered Accountants continues to hold the office of Statutory Auditors till the conclusion of Twenty Seventh Annual General Meeting of the Company.

The Notes on financial statement referred to in the Auditors' Report are self-explanatory and do not call for any further comments. The Auditors' Report does not contain any qualification, reservation or adverse remark, except the observation: That there was a delay in depositing the Provident Fund, Employees State Insurance (ESI) dues for few months.

Explanation: In this connection the board has explained that delay in filing was due to the error / technical issue in the concerned department site which was beyond control.

12. INTERNAL AUDITOR

M/s Navin Sapna & Co., Chartered Accountants (bearing firm registration no. 010507C) have been appointed as an Internal Auditor of the Company w.e.f. 1st April, 2017 in the Board Meeting held on 30th May, 2017.

13. SECRETARIAL AUDIT:

M/s. Manish Jain & Co., Practicing Company Secretaries has been appointed to conduct the secretarial audit of the Company for the financial year 2019-20 in the Board Meeting held on 28th May, 2019.

The Secretarial Audit Report for the financial year ended March 31, 2019 is annexed herewith as Annexure III to this Report. The report is self explanatory and does not call for any further comments except:

Observation:

The Company could not produce before us the returns i.e. Form-D under the Payment of Bonus Act, 1965, Form-III under Minimum Wages Act, 1948, Form G-1 under Industrial Disputes Act, 1947, Form-27 under Factories Act, 1948, and Form-28 under Factories Act, 1948.

Explanation : The aforesaid returns are filed but the file was misplaced by the concerned officer and he committed to produce the same.

14. ANNUAL EVALUATION

The Board of Directors has carried out an annual evaluation of its performance, its Committees, and individual directors pursuant to the provisions of the Act.

The performance of the Board was evaluated by the Board after seeking inputs from all the directors on the basis of criteria such as the board composition and structure, effectiveness of board processes, information and functioning, etc.

The performance of the Committees was evaluated by the Board after seeking inputs from the Committee members on the basis of criteria such as the composition of committees, effectiveness of committee meetings, etc.



The Board and the Nomination and Remuneration Committee reviewed the performance of individual directors on the basis of 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 and the Board as a whole was evaluated, taking into account the views of executive directors and non-executive directors. Performance evaluation of independent directors was done by the entire board, excluding the independent director being evaluated.

15. RELATED PARTY TRANSACTIONS

The Contracts or arrangements entered into by the Company are in accordance with provisions of Section 188 of the Companies Act, 2013 during the year under review and were in ordinary course of business and on arm's length basis.

The details of the related party transactions as per Indian Accounting Standards (IND AS) - are set out in Note 24 to the Standalone Financial Statements of the Company.

There are no materially significant related parties transactions entered into by the Company, which may have a potential conflict with the interest of the Company at large.

Further details have been given in the prescribed Form AOC-2 annexed herewith as Annexure IV.

The policy on Related Party Transactions as approved by the Board may be accessed on Company's website at the link: <http://www.goraniindustries.com/investors/>

16. CORPORATE GOVERNANCE

Regulation 27 and Para C, D and E of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is not applicable to the Company.

17. MEETINGS

A. BOARD MEETINGS

During the year 2018-19, 8 (Eight) Board Meetings were held on 11th April, 2018, 30th May, 2018, 14th August, 2018, 05th October, 2018, 14th November, 2018, 01st January, 2019, 05th February, 2019 and 31st March, 2019.

Name of Director	No. of Board Meeting entitled to attend	No. of Board Meeting attended	Attendance at last Annual General Meeting
Mr. Sanjay Gorani	8	8	Yes
Mr. Anil Gorani	8	8	Yes
Mr. Nakul Gorani	8	8	Yes
Ms. Komal Motwani	8	8	Yes
Mr. Shayam Sunder Jhavar*	3	3	Yes
Mr. Vikram Rajkumar Khandelwal**	5	5	Not Applicable
Ms. Manpreet Kaur Hora*	5	5	Yes
Ms. Raina Goyal***	3	3	Not Applicable

*Mr. Shayam Sunder Jhavar and Ms. Manpreet Kaur Hora have resigned from the post of Independent Director as on 05.10.2018 and 01.01.2019 respectively.

** Mr. Vikram Rajkumar Khandelwal was appointed as an Additional Director designated as an Independent Director of the Company w.e.f. 05th October, 2018.

*** Ms. Raina Goyal was appointed as an additional Non-executive Director of the Company w.e.f. 01st January, 2019.

B. AUDIT COMMITTEE MEETING

During the financial year 2018-19, 4 (Four) Audit Committee Meetings were held on 30th May, 2018, 14th August, 2018, 14th November, 2018 and 05th February, 2019.



Name of Director	No. of committee Meetings entitled to attend	No. of committee Meetings attended
Shri Shayam Sunder Jhawar*	2	2
Ms. Komal Motwani	4	4
Mr. Vikram Rajkumar Khandelwal*	2	2
Ms. Manpreet Kaur Hora*	3	3
Ms. Raina Goyal*	1	1

* Mr. Shayam Sunder Jhawar and Ms. Manpreet Kaur Hora have resigned from the post of Independent Director as on 05.10.2018 and 01.01.2019 respectively and the Committee was reconstituted by appointing Mr. Vikram Rajkumar Khandelwal as an additional director designated as an Independent Director of the Company w.e.f. 05th October, 2018 and Ms. Raina Goyal as an additional Non-executive director of the Company w.e.f 01st January, 2019.

C. NOMINATION AND REMUNERATION COMMITTEE MEETINGS

During the financial year 2018-19, 3 (Three) meetings of the Nomination and Remuneration Committee were held on 04th October, 2018, 31st December, 2018 and 20th March, 2019

Name of Director	No. of committee Meetings entitled to attend	No. of committee Meetings attended
Mr. Shayam Sunder Jhawar*	1	1
Ms. Komal Motwani	3	3
Mr. Vikram Rajkumar Khandelwal*	2	2
Ms. Manpreet Kaur Hora*	2	2
Ms. Raina Goyal*	1	1

*Mr. Shayam Sunder Jhawar and Ms. Manpreet Kaur Hora have resigned from the post of Independent Director as on 05.10.2018 and 01.01.2019 respectively and the Committee was reconstituted by appointing Mr. Vikram Rajkumar Khandelwal as an additional director designated as an Independent Director of the Company w.e.f. 05th October, 2018 and Ms. Raina Goyal as an additional Non-executive director of the Company w.e.f 01st January, 2019.

D. STAKEHOLDER RELATIONSHIP COMMITTEE MEETINGS

During the financial year 2018-19, 9 (Nine) Stakeholder Relationship Committee Meetings were held on 30th April, 2018, 21st June, 2018, 26th June, 2018, 02nd July, 2018, 05th July, 2018, 10th August, 2018, 01st November, 2018, 30th November, 2018 and 11th January, 2019

Name of Director	No. of committee Meetings entitled to attend	No. of committee Meetings attended
Mr. Shayam Sunder Jhawar*	6	6
Ms. Komal Motwani	9	9
Mr. Vikram Rajkumar Khandelwal*	3	3
Ms. Manpreet Kaur Hora*	8	8
Ms. Raina Goyal*	1	1

*Mr. Shayam Sunder Jhawar and Ms. Manpreet Kaur Hora have resigned from the post of Independent Director as on 05.10.2018 and 01.01.2019 respectively and the Committee was reconstituted by appointing Mr. Vikram Rajkumar Khandelwal as an additional director designated as an Independent Director of the Company w.e.f. 05th October, 2018 and Ms. Raina Goyal as an additional Non-executive director of the Company w.e.f 01st January, 2019.

18. THE NAMES OF COMPANIES WHICH HAVE BECOME OR CEASED TO BE ITS SUBSIDIARIES, JOINT VENTURES OR ASSOCIATE COMPANIES DURING THE YEAR:

During the year no company have become or ceased to be its subsidiaries, joint ventures or associate companies.

19. SUBSIDIARY, JOINT VENTURES AND ASSOCIATE COMPANY:

During the period under review, the Company doesn't have any subsidiary, joint ventures and associate Companies.

20. SECRETARIAL STANDARDS

The Company complies with all applicable secretarial standards issued by the Institute of Company Secretaries of India.

21. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO CONSERVATION OF ENERGY:



The information relating to conservation of Energy, Technology absorption and Foreign Exchange earnings and outgo as required under section 134(3)(m) of the Companies Act, 2013 read with the with Rule 8 of The Companies (Accounts) Rules, 2014 is given in Annexure V forming part of this report.

22. REMUNERATION RATIO AND OTHER DETAILS OF DIRECTORS / KEY MANAGERIAL PERSONNEL (KMP) / EMPLOYEES:

The information required pursuant to Section 197 read with Rule 5 of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, in respect of Directors/ KMP of the Company are furnished in Annexure VI.

23. CORPORATE SOCIAL RESPONSIBILITY:

The Company is not required to constitute a Corporate Social Responsibility Committee, as it does not fall within purview of Section 135(1) of the Companies Act, 2013 and hence it is not required to formulate policy on corporate social responsibility.

24. DISCLOSURES:

AUDIT COMMITTEE

The current composition of the Audit Committee is in alignment with provisions of Section 177 of the Companies Act, 2013 The Audit Committee comprises of three Directors namely Mr. Vikram Rajkumar Khandelwal(Holding DIN: 00040202) (Chairman), Ms. Komal Motwani (Holding DIN: 07302550) (member) and Ms. Raina Goyal (Holding DIN: 08295368) (member). All the recommendations made by the Audit Committee were accepted by the Board.

NOMINATION AND REMUNERATION COMMITTEE

The current composition of the Nomination and Remuneration Committee is in alignment with provisions of Section 178 of the Companies Act, 2013 The Audit Committee comprises of three Directors namely Mr. Vikram Rajkumar Khandelwal (Holding DIN: 00040202) (Chairman), Ms. Komal Motwani (Holding DIN: 07302550) (member) and Ms. Raina Goyal (Holding DIN: 08295368) (member).

STAKEHOLDER RELATIONSHIP COMMITTEE

The Stakeholder Relationship Committee comprises of three Directors namely Mr. Vikram Rajkumar Khandelwal (Holding DIN: 00040202) (Chairman), Ms. Komal Motwani (Holding DIN: 07302550) (member) and Ms. Raina Goyal (Holding DIN: 08295368) (member).

VIGIL MECHANISM

The Vigil Mechanism of the Company is in terms of Companies Act, 2013, to deal with instance of fraud and mismanagement, if any. The Policy on vigil mechanism may be accessed on the Company's website at the link <http://www.goraniindustries.com/investors/>.

25. DIRECTORS' RESPONSIBILITY STATEMENT

Your Directors state that:

- a) in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- b) the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the financial year ended on March 31, 2019 and of the profit of the Company for that period;
- c) the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) the Directors had prepared the annual accounts on a going concern basis;
- e) the Directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and
- f) the Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

26. MANAGEMENT DISCUSSION AND ANALYSIS REPORT
Management Discussion and Analysis Report for the year under review, as stipulated under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is presented in a separate section forming part of the Annual Report.

27. DEVELOPMENT AND IMPLEMENTATION OF RISK MANAGEMENT POLICY:

The company has framed the Risk Management Policy which highlights the Company's practices and risk management framework for the identification



and management of uncertainty. The Company manages, monitors and reports on the principal risks and uncertainties that can impact its ability to achieve its strategic objectives.

The Company has implemented a Risk Management Framework for the management and oversight of material risks and internal control. The Risk Management Framework is designed to address risks that have been identified to have a material impact on the Company's business and to ensure that the Board regularly reviews the risk management and oversight policies.

28. INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY

The company has adequate system of management-supervised internal control, which is aimed at achieving efficiency in operations, optimum utilization of resources, effective monitoring and compliance with all applicable laws. These ensure that all corporate policies are strictly adhered to an absolute transparency is followed in accounting and all its business dealings.

The Company's internal control systems are commensurate with the nature of its business and the size and complexity of its operations. The company ensures adherence to all internal control policies and procedures. A qualified and independent audit committee of the Board, comprising the independent directors reviews the adequacy of internal control.

The report on Internal Financial Control has also been annexed with the financial statements of the Company as provided by the Statutory Auditor of the Company.

29. COST RECORDS

Maintenance of cost records as specified by Central Government under sub section (1) of Section 148 of the Companies Act, 2013, is not applicable to the Company.

30. SEXUAL HARASSMENT

During the year under review, there were no cases filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

The Company has complied with the Constitution of Internal Compliant Committee under Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

31. GENERAL

Your Directors state that no disclosure or reporting is required in respect of the following items as there were no transactions on these items during the year under review:

1. Details of particulars of loans, guarantees or investments under section 186.
2. Details relating to deposits covered under Chapter V of the Act.
3. Issue of equity shares with differential rights as to dividend, voting or otherwise.
4. Issue of shares (including sweat equity shares) to employees of the Company under any Employee Stock Option Scheme.
5. Neither the Managing Director nor the Whole-time Directors of the Company receive any commission.
6. Separate Section containing a Report on performance and Financial Position of each of Subsidiaries, Associated & Joint Ventures included in the Consolidated Financial Statement of the Company.
7. The Auditors of the Company have not reported any fraud as specified under second proviso of Section 143 (12) of the Companies Act, 2013.
8. No significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operations in future.
9. Voluntary revision as per Section 131 of the Companies Act, 2013.

ACKNOWLEDGEMENT:

The Board wishes to place on record their gratitude for the co-operation being received from the Banks, Share Transfer Agent, Stock Exchanges, Shareholders, customers, staff and workers of the Company and thank them for their continued support.

By Order of the Board

Anil Gorani

Sd/-

(Holding DIN 00055540)

Chairman cum Whole Time Director

Place: Indore

Date: August 7, 2019

ANNEXURE I

NOMINATION AND REMUNERATION POLICY

1. OBJECTIVE

The Nomination and Remuneration Committee and this Policy shall be in compliance with Section 178 of the Companies Act, 2013 read along with the applicable rules thereto and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Key Objectives of the Committee would be:

- i. To guide the Board in relation to appointment and removal of Directors, Key Managerial Personnel and Senior Management.
- ii. To evaluate the performance of the members of the Board and provide necessary report to the Board for further evaluation of the Board.
- iii. To recommend to the Board on Remuneration payable to the Directors, Key Managerial Personnel and Senior Management.
- iv. To provide to Key Managerial Personnel and Senior Management reward linked directly to their effort, performance, dedication and achievement relating to the Company's operations.
- v. To retain, motivate and promote talent and to ensure long term sustainability of talented managerial persons and create competitive advantage.
- vi. To develop a succession plan for the Board and to regularly review the plan;

2. DEFINITIONS

- i. Act means the Companies Act, 2013 and Rules framed thereunder, as amended from time to time.
- ii. Board means Board of Directors of the Company.
- iii. Directors mean Directors of the Company.
- iv. Key Managerial Personnel as per the Act.
- v. Senior Management means Senior Management means personnel of the company who are members of its core management team excluding the Board of Directors including Functional Heads.

3. ROLE OF COMMITTEE

- i. Matters to be dealt with, perused and recommended to the Board by the Nomination and Remuneration Committee

The Committee shall:

- Formulate the criteria for determining qualifications, positive attributes and independence of a director.
- Identify persons who are qualified to become Director and persons who may be appointed in Key Managerial and Senior Management positions in accordance with the criteria laid down in this policy.
- Recommend to the Board, appointment and removal of Director, KMP and Senior Management Personnel.

- ii. Policy for appointment and removal of Director, KMP and Senior Management

1. Appointment criteria and qualifications

- a) The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, KMP or at Senior Management level and recommend to the Board his / her appointment.
- b) A person should possess adequate qualification, expertise and experience for the position he / she is considered for appointment. The Committee has discretion to decide whether qualification, expertise and experience possessed by a person are sufficient / satisfactory for the concerned position.
- c) The Company shall not appoint or continue the employment of any person as Whole-time Director who has attained the age of seventy years. Provided that the term of the person holding this position may be extended beyond the age of seventy years with the approval of shareholders by passing a special resolution based on the explanatory statement annexed to the notice for such motion indicating the justification for extension of appointment beyond seventy years.



2. Term / Tenure
 - a) Managing Director/Whole-time Director :

The Company shall appoint or re-appoint any person as its Executive Chairman, Managing Director or Executive Director for a term not exceeding five years at a time. No re-appointment shall be made earlier than one year before the expiry of term.
 - b) Independent Director :
 - An Independent Director shall hold office for a term up to five consecutive years on the Board of the Company and will be eligible for re-appointment on passing of a special resolution by the Company and disclosure of such appointment in the Board's report.
 - No Independent Director shall hold office for more than two consecutive terms, but such Independent Director shall be eligible for appointment after expiry of three years of ceasing to become an Independent Director. Provided that an Independent Director shall not, during the said period of three years, be appointed in or be associated with the Company in any other capacity, either directly or indirectly. However, if a person who has already served as an Independent Director for 5 years or more in the Company as on October 1, 2014 or such other date as may be determined by the Committee as per regulatory requirement; he/ she shall be eligible for appointment for one more term of 5 years only.
 - At the time of appointment of Independent Director it should be ensured that number of Boards on which such Independent Director serves is restricted to seven listed companies as an Independent Director and three listed companies as an Independent Director in case such person is serving as a Whole-time Director of a listed company or such other number as may be prescribed under the Act.
3. Evaluation

The Committee shall carry out evaluation of performance of every Director, KMP and Senior Management Personnel at regular interval (yearly).
4. Removal

Due to reasons for any disqualification mentioned in the Act or under any other applicable Act, rules and regulations thereunder, the Committee may recommend, to the Board with reasons recorded in writing, removal of a Director, KMP or Senior Management Personnel subject to the provisions and compliance of the said Act, rules and regulations.
5. Retirement

The Director, KMP and Senior Management Personnel shall retire as per the applicable provisions of the Act and the prevailing policy of the Company. The Board will have the discretion to retain the Director, KMP, Senior Management Personnel in the same position/ remuneration or otherwise even after attaining the retirement age, for the benefit of the Company.
- iii. Policy relating to the Remuneration for the Whole-time Director, KMP and Senior Management Personnel
 1. General :
 - a) The remuneration / compensation / commission etc. to the Whole-time Director, KMP and Senior Management Personnel will be determined by the Committee and recommended to the Board for approval. The remuneration / compensation / commission etc. shall be subject to the prior/post approval of the shareholders of the Company and Central Government, wherever required.
 - b) The remuneration and commission to be paid to the Whole-time Director shall be in accordance with the percentage / slabs / conditions as per the provisions of the Act.
 - c) Increments to the existing remuneration/ compensation structure may be recommended by the Committee to the Board which should be within the slabs approved by the Shareholders in the case of Whole-time Director.

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

a) Fixed pay:

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

b) Minimum Remuneration:

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

c) Provisions for excess remuneration:

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

3. Remuneration to Non- Executive / Independent Director:

a) Remuneration / Commission:

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

b) Sitting Fees:

The Non- Executive / Independent Director may receive remuneration by way of fees for attending meetings of Board or Committee thereof. Provided that the amount of such fees shall not exceed Rs. One Lakh per meeting of the Board or Committee or such amount as may be prescribed by the Central Government from time to time.

4. COMMITTEE MEMBERS' INTERESTS

- A member of the Committee is not entitled to be present when his or her own remuneration is discussed at a meeting or when his or her performance is being evaluated.
- The Committee may invite such executives, as it considers appropriate, to be present at the meetings of the Committee.

5. VOTING

- Matters arising for determination at Committee meetings shall be decided by a majority of votes of Members present and voting and any such decision shall for all purposes be deemed a decision of the Committee.
- In the case of equality of votes, the Chairman of the meeting will have a casting vote.

6. NOMINATION DUTIES

The duties of the Committee in relation to nomination matters include:

- Ensuring that there is an appropriate induction in place for new Directors and members of Senior Management and reviewing its effectiveness;
- Ensuring that on appointment to the Board, Non-Executive Directors receive a formal letter of appointment in accordance with the Guidelines provided under the Act;
- Identifying and recommending Directors who are to be put forward for retirement by rotation.
- Determining the appropriate size, diversity and composition of the Board; Setting a formal and transparent procedure for selecting new Directors for appointment to the Board;

- Developing a succession plan for the Board and Senior Management and regularly reviewing the plan;
- Evaluating the performance of the Board members and Senior Management in the context of the Company's performance from business and compliance perspective;
- Making recommendations to the Board concerning any matters relating to the continuation in office of any Director at any time including the suspension or termination of service of an Executive Director as an employee of the Company subject to the provision of the law and their service contract.
- Delegating any of its powers to one or more of its members of the Committee;
- Recommend any necessary changes to the Board; and
- Considering any other matters, as may be requested by the Board.

7. REMUNERATION DUTIES

The duties of the Committee in relation to remuneration matters include:

- to consider and determine the Remuneration Policy, based on the performance and also bearing in mind that the remuneration is reasonable and sufficient to attract retain and motivate members of the Board and such other factors as the Committee shall deem appropriate all elements of the remuneration of the members of the Board.
- to approve the remuneration of the Senior Management including key managerial personnel of the Company maintaining a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company.
- to delegate any of its powers to one or more of its members of the Committee.
- to consider any other matters as may be requested by the Board.



FORM NO. MGT-9

EXTRACT OF ANNUAL RETURN

As on the financial year ended on 31st March, 2019

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies
(Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

i. CIN	L28121MP1995PLC009170
ii. Registration Date	14/03/1995
iii. Name of the Company	Gorani Industries Limited
iv. Category / Sub-Category of the Company	Public Company/Limited by shares
v. Address of the Registered office and contact details	32-33, Sector-F, Sanwer Road, Indore (M.P.)-452015, Tel: 0731-2723201-03
vi. Whether listed company	Yes
vii. Name, Address and Contact details of Registrar and Transfer Agent, if any	Link Intime India Private Limited, C 101, 247 Park, L B S Marg, Vikhroli (West), Mumbai-400083 Phone: +91 022 49186000

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

Sl. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1.	LPG Stoves	2750	40.04%
2.	Gas Geysers	2750	32.48%
3.	Rangehood (Chimney)	2750	21.48%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

S. No	Name and Address of the company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1.	N.A.				

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 2018				No. of Shares held at the end of the year 2019				% Change during the year*
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/ HUF	2233900	0	2233900	41.08	2477600	0	2477600	50.82	9.74
b) Central Govt	0	0	0	0.00	0	0	0	0.00	0.00
c) State Govt (s)	0	0	0	0.00	0	0	0	0.00	0.00
d) Bodies Corp.	0	0	0	0.00	0	0	0	0.00	0.00
e) Banks / FI	0	0	0	0.00	0	0	0	0.00	0.00
f) Any Other....	0	0	0	0.00	0	0	0	0.00	0.00
Sub-total (A) (1):-	2233900	0	2233900	41.08	2477600	0	2477600	50.82	9.74
(2) Foreign									
a) NRIs –Individuals	0	0	0	0.00	0	0	0	0.00	0.00
b) Other – Individuals	0	0	0	0.00	0	0	0	0.00	0.00
c) Bodies Corp.	0	0	0	0.00	0	0	0	0.00	0.00
d) Banks / FI	0	0	0	0.00	0	0	0	0.00	0.00
e) Any Other....	0	0	0	0.00	0	0	0	0.00	0.00
Sub-total (A) (2):-	0	0	0	0.00	0	0	0	0.00	0.00
Total shareholding of Promoter (A) = (A)(1)+ (A)(2)	2233900	0	2233900	41.08	2477600	0	2477600	50.82	9.74
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	0	0	0	0.00	0	0	0	0.00	0.00
b) Banks / FI	99500	0	99500	1.83	97800	0	97800	2.01	0.18
c) Central Govt	0	0	0	0.00	0	0	0	0.00	0.00
d) State Govt(s)	0	0	0	0.00	0	0	0	0.00	0.00
e) Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
f) Insurance Companies	0	0	0	0.00	0	0	0	0.00	0.00
g) FIs	0	0	0	0.00	0	0	0	0.00	0.00
h) Foreign Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
i) Others (specify)	0	0	0	0.00	0	0	0	0.00	0.00
Sub-total (B)(1):-	99500	0	99500	1.83	97800	0	97800	2.01	0.18



Category of Shareholders	No. of Shares held at the beginning of the year 2018				No. of Shares held at the end of the year 2019				% Change during the year*
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
2. Non-Institutions									
a) Bodies Corp.	847753	5500	853253	15.70	848883	1000	849883	17.43	1.73
a) Indian	0	0	0	0	0	0	0	0	0
ii) Overseas	0	0	0	0.00	0	0	0	0.00	0.00
b) Individuals									
i) Individual Shareholders holding nominal share capital upto Rs. 1 lakh	181149	1314300	1495449	27.50	213496	662500	875996	17.97	-9.53
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	43893	702800	746693	13.73	110452	442500	552952	11.34	-2.39
c) Other (specify)									
Clearing member	500	0	500	0.009	5806	0	5806	0.12	0.11
Non Resident Indians (Repat)	0	0	0	0.00	2257	0	2257	0.05	0.05
Non Resident Indians (Non-Repat)	0	0	0	0	302	0	302	0.01	0.01
Hindu Undivided Family	8705	0	8705	0.16	12504	0	12504	0.26	0.10
Sub-total (B)(2):-	1082000	2022600	3104600	57.10	1193700	1106000	2299700	47.17	-9.93
Total Public shareholding (B)= (B)(1)+(B)(2)	1181500	2022600	3204100	58.92	1291500	1106000	2397500	49.18	-9.74
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0.00	0.00	0	0	0.00	0.00
Grand Total (A+B+C)	3415400	2022600	5438000	100.00	3769100	1106000	4875100	100.00	0.00



*Change in shareholding percentage is due to forfeiture of 5,62,900 partly-paid up equity shares of the Company as on 05.10.2018.

ii) Shareholding of Promoters*

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year (1st April, 2018)			Share holding at the end of the year (31st March, 2019)			% change in share holding during the year*
		No. of Shares of the Company	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares of the Company	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1.	Narendra Kumar Gorani	801800	14.74	0.00	801800	16.45	0.00	1.71
2.	Sanjay Gorani	649300	11.94	0.00	649300	13.32	0.00	1.38
3.	Anil Gorani	304900	5.61	0.00	548600	11.25	0.00	5.64
4.	Shanta Devi Gorani	285200	5.24	0.00	285200	5.85	0.00	0.61
5.	Balkishan Gorani	150100	2.76	0.00	150100	3.08	0.00	0.32
6.	Manju Gorani	40100	0.74	0.00	40100	0.82	0.00	0.08
7.	Hema Gorani	2500	0.05	0.00	2500	0.05	0.00	0.00
	Total	2233900	41.0794	0.00	2477600	50.8215	0.00	9.74

*Change in shareholding percentage is due to forfeiture of 5,62,900 partly-paid up equity shares of the Company as on 05.10.2018.

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

Sl. No.		Shareholding at the beginning of the year 2018		Cumulative Shareholding during the year 2019	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	Narendra Kumar Gorani	801800	14.74	801800	14.74
	Increase/Decrease in shareholding during the year				
	At the end of the year	801800	16.45	801800	16.45
2.	Sanjay Gorani	649300	11.94	649300	11.94
	Increase/Decrease in shareholding during the year				
	At the end of the year	649300	13.32	649300	13.32



Sl. No.		Shareholding at the beginning of the year 2018		Cumulative Shareholding during the year 2019	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
3.	Anil Gorani	304900	5.61	304900	5.61
	Purchase of shares on 13/04/2018	17500	0.32	322400	5.93
	Purchase of shares on 07/09/2018	189000	3.47	511400	9.40
	Purchase of shares on 22/02/2019	27800	0.57	539200	11.06
	Purchase of shares on 01/03/2019	9400	0.19	548600	11.25
	At the end of the year	548600	11.25	548600	11.25
4.	Shanta Devi Gorani	285200	5.24	285200	5.24
	Increase/Decrease in shareholding during the year				
	At the end of the year	285200	5.85	285200	5.85
5.	Balkishan Gorani	150100	2.76	150100	2.76
	Increase/Decrease in shareholding during the year				
	At the end of the year	150100	3.08	150100	3.08
6.	Manju Gorani	40100	0.74	40100	0.74
	Increase/Decrease in shareholding during the year				
	At the end of the year	40100	0.82	40100	0.82
7.	Hema Gorani	2500	0.05	2500	0.05
	Increase/Decrease in shareholding during the year				
	At the end of the year	2500	0.05	2500	0.05



*Change in shareholding percentage is due to forfeiture of 5,62,900 partly-paid up equity shares of the Company as on 05.10.2018.

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

Sl. No.	For each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	Online Appliances Limited				
	At the beginning of the year	840600	15.46	840600	15.46
	Increase/Decrease in shareholding during the year	0	0.00	0	0.00
	At the end of the year (or on the date of separation, if separated during the year)	840600	17.24	840600	17.24
2.	Lavekush Gadiya				
	At the beginning of the year	0	0.00	0	0.00
	Purchase of shares on 29/03/2019	378000	7.75	378000	7.75
	At the end of the year (or on the date of separation, if separated during the year)	378000	7.75	378000	7.75
3.	Madhya Pradesh Financial Corporation				
	At the beginning of the year	99500	1.83	99500	1.83
	Sale of shares on 01/03/2019	(700)	(0.01)	98800	2.03
	Sale of shares on 08/03/2019	(1000)	(0.02)	97800	2.01
	At the end of the year (or on the date of separation, if separated during the year)	97800	2.01	97800	2.01
4.	Rishabh Negi				
	At the beginning of the year	16944	0.3	16944	0.3
	Purchase of shares on 13/04/2018	900	0.16	17844	0.33
	Purchase of shares on 20/04/2018	800	0.01	18644	0.34
	Purchase of shares on 04/05/2018	1801	0.03	20445	0.3759
	Purchase of shares on 11/05/2018	3957	0.07	24402	0.45
	Purchase of shares on 25/05/2018	599	0.0110	25001	0.46
	Purchase of shares on 08/06/2018	2500	0.04	27501	0.50
	Purchase of shares on 15/06/2018	1100	0.02	28601	0.52
	Purchase of shares on 14/09/2018	1	0.0000	28602	0.52
	At the end of the year (or on the date of separation, if separated during the year)	28602	0.59	28602	0.59



Sl. No.	For each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
5.	Sadhna Mandovra				
	At the beginning of the year	25000	0.46	25000	0.46
	Increase/Decrease in shareholding during the year	0	0.00	0	0.00
	At the end of the year (or on the date of separation, if separated during the year)	25000	0.51	25000	0.51
6.	Rajendra Jain				
	At the beginning of the year	22800	0.42	22800	0.42
	Increase/Decrease in shareholding during the year				
	At the end of the year (or on the date of separation, if separated during the year)	22800	0.47	22800	0.47
7.	Rekhadevi Ladha				
	At the beginning of the year	20000	0.37	20000	0.37
	Increase/Decrease in shareholding during the year	0	0.00	0	0.00
	At the end of the year (or on the date of separation, if separated during the year)	20000	0.41	20000	0.41
8.	Harimohan Ladha				
	At the beginning of the year	20000	0.37	20000	0.37
	Increase/Decrease in shareholding during the year	0	0.00	0	0.00
	At the end of the year (or on the date of separation, if separated during the year)	20000	0.41	20000	0.41
9.	Urmila Modi				
	At the beginning of the year	16700	0.31	16700	0.31
	Increase/Decrease in shareholding during the year				
	At the end of the year (or on the date of separation, if separated during the year)	16700	0.34	16700	0.34



Sl. No.	For each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
10.	Mohamed Riyaz Babu				
	At the beginning of the year	15049	0.28	15049	0.28
	Purchase of shares on 11/05/2018	1	0.00	15050	0.28
	Purchase of shares on 25/05/2018	90	0.00	15140	0.28
	Purchase of shares on 08/06/2018	301	0.00	15441	0.28
	Purchase of shares on 15/06/2018	75	0.00	15516	0.28
	Purchase of shares on 22/06/2018	150	0.01	15666	0.29
	Purchase of shares on 30/06/2018	34	0.00	15700	0.29
	Purchase of shares on 13/07/2018	39	0.00	15739	0.29
	Sale of shares on 20/07/2018	-24	-0.00	15715	0.29
	Purchase of shares on 27/07/2018	30	0.00	15745	0.29
	Sale of shares on 03/08/2018	-10	-0.00	15735	0.29
	Sale of shares on 21/09/2018	-5	0.00	15730	0.29
	Purchase of shares on 26/10/2018	18	0.00	15748	0.32
	Purchase of shares on 09/11/2018	50	0.00	15798	0.32
	Purchase of shares on 16/11/2018	10	0.00	15808	0.32
	Purchase of shares on 11/01/2019	74	0.00	15882	0.32
	Purchase of shares on 18/01/2019	40	0.01	15922	0.33
	Purchase of shares on 25/01/2019	16	0.00	15938	0.33
	Purchase of shares on 01/03/2019	191	0.00	16129	0.33
Purchase of shares on 08/03/2019	24	0.00	16153	0.33	
Sale of shares on 15/03/2019	-3	0.00	16150	0.33	
At the end of the year (or on the date of separation, if separated during the year)	16150	0.33	16150	0.33	
11.	Pukhraj Soni				
	At the beginning of the year	189000	3.48	189000	3.48
	Sale of shares	-189000	3.48	0	0.00
	At the end of the year (or on the date of separation, if separated during the year)	0	0	0	0



Sl. No.	For each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
12.	Ashok Kumar Daga				
	At the beginning of the year	94500	1.74	94500	1.74
	Sale of shares	-94500	-1.74	0	0.00
	At the end of the year (or on the date of separation, if separated during the year)	0	0.00	0	0.00
13.	Dinesh Kumar Maheshwari				
	At the beginning of the year	94500	1.74	94500	1.74
	Increase/Decrease in shareholding during the year	-94500	-1.74	0	0.00
	At the end of the year (or on the date of separation, if separated during the year)	0	0.00	0	0.00
14.	Shirin Pavri				
	At the beginning of the year	94500	1.74	94500	1.74
	Increase/Decrease in shareholding during the year	-94500	-1.74	0	0.00
	At the end of the year (or on the date of separation, if separated during the year)	0	0.00	0	0.00
15.	Farokh Pavri				
	At the beginning of the year	94500	1.74	94500	1.74
	Increase/Decrease in shareholding during the year	-94500	-1.74	0	0.00
	At the end of the year (or on the date of separation, if separated during the year)	0	0.00	0	0.00



*Change in shareholding percentage is due to forfeiture of 5,62,900 partly-paid up equity shares of the Company as on 05.10.2018.

v) Shareholding of Directors and Key Managerial Personnel*:

Sl. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	Sanjay Gorani (KMP) Managing Director	649300	11.94	649300	11.94
	Increase/Decrease in shareholding during the year	0	0.00	0	0.00
	At the end of the year 31.03.2019	649300	13.32	649300	13.32
2.	Anil Gorani Whole Time Director	304900	5.61	304900	5.61
	Purchase of shares on 13/04/2018	17500	0.32	322400	5.93
	Purchase of shares on 07/09/2018	189000	3.47	511400	9.40
	Purchase of shares on 22/02/2019	27800	0.57	539200	11.06
	Purchase of shares on 01/03/2019	9400	0.19	548600	11.25
	At the end of the year 31.03.2019	548600	11.25	548600	11.25
3.	Nakul Gorani Whole Time Director	0	0.00	0	0.00
	Increase/Decrease in shareholding during the year	0	0.00	0	0.00
	At the end of the year 31.03.2019	0	0.00	0	0.00
4.	Shayam Sunder Jhawar Independent Director	0	0.00	0	0.00
	Increase/Decrease in shareholding during the year	0	0.00	0	0.00
	Upto 05/10/2018	0	0.00	0	0.00
5.	Vikram Rajkumar Khandelwal Independent Director w.e.f 05/10/2018	0	0.00	0	0.00
	Increase/Decrease in shareholding during the year	0	0.00	0	0.00
	At the end of the year 31.03.2019	0	0.00	0	0.00



Sl. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
6.	Manpreet Kaur Hora Independent Director w.e.f 11/04/2018	0	0.00	0	0.00
	Increase/Decrease in shareholding during the year	0	0.00	0	0.00
	Upto 01/01/2019	0	0.00	0	0.00
7.	Raina Goyal Non-Executive Director w.e.f 01/01/2019	0	0.00	0	0.00
	Increase/Decrease in shareholding during the year	0	0.00	0	0.00
	At the end of the year 31.03.2019	0	0.00	0	0.00
8.	Komal Motwani Independent Director	0	0.00	0	0.00
	Increase/Decrease in shareholding during the year	0	0.00	0	0.00
	At the end of the year 31.03.2019	0	0.00	0	0.00
B.	Key Managerial Personnel				
1.	Neerja Mandiya	0	0.00	0	0.00
	Increase/Decrease in shareholding during the year	0	0.00	0	0.00
	At the end of the year 31.03.2019	0	0.00	0	0.00
2.	Chandrasekhar Sharma Chief Financial Officer	0	0.00	0	0.00
	Increase/Decrease in shareholding during the year	0	0.00	0	0.00
	At the end of the year 31.03.2019	0	0.00	0	0.00



*Change in shareholding percentage is due to forfeiture of 5,62,900 partly-paid up equity shares of the Company as on 05.10.2018.

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment (Amount in Rs.)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i. Principal Amount	93,33,202.00	2,96,18,037.00	0.00	3,89,51,239.00
ii. Interest due but not paid	0.00	0.00	0.00	0.00
iii. Interest accrued but not due				
Total (i+ii+iii)	93,33,202.00	2,96,18,037.00	0.00	4,10,12,818.00
Change in Indebtedness during the financial year				
• Addition	25,94,97,482.00	3,75,000.00	0.00	25,98,72,482.00
• Reduction	24,84,49,326.00	0.00	0.00	24,84,49,326.00
Net Change	1,10,48,156.00	3,75,000.00	0.00	1,14,23,156.00
Indebtedness at the end of the financial year				
i. Principal Amount	2,03,81,358.00	2,99,93,037.00	0.00	5,03,74,395.00
ii. Interest due but not paid	0.00	0.00	0.00	0.00
iii. Interest accrued but not due				
Total (i+ii+iii)	2,03,81,358.00	2,99,93,037.00	0.00	5,03,74,395.00

Note: - Whatever interest has been due is paid and no interest is accrued but not due.

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

Sl. No.	Particulars of Remuneration	Name of MD/WTD/ Manager			Total Amount (in Rs.)
		Sanjay Gorani	Nakul Gorani	Anil Gorani	
1.	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	18,00,000	12,00,000	12,00,000	42,00,000
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	0.00	0.00	0.00	0.00
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	0.00	0.00	0.00	0.00
2.	Stock Option	0.00	0.00	0.00	0.00
3.	Sweat Equity	0.00	0.00	0.00	0.00
4.	Commission -as % of profit - others, specify...	0.00	0.00	0.00	0.00
5.	Others, please specify	0.00	0.00	0.00	0.00
	Total (A)	18,00,000	12,00,000	12,00,000	42,00,000
	Ceiling as per the Act	As per Schedule V of the Companies Act, 2013 as amended from time to time.			



B. Remuneration to other directors:

Sl. No.	Particulars of Remuneration	Name of Directors					Total Amount (in Rs.)
		Shayam Sunder Jhawar*	Manpreet Kaur Hora*	Komal Motwani	Vikram Khandelwal*	Raina Goyal*	
1.	Independent Directors						
	• Fee for attending board / committee meetings	0.00	0.00	0.00	0.00	0.00	0.00
	• Commission						
	• Others, please specify						
	Total B (1)	0.00	0.00	0.00	0.00	0.00	0.00
2.	Other Non-Executive Directors						
	• Fee for attending board / committee meetings	0.00	0.00	0.00	0.00	0.00	0.00
	• Commission	0.00	0.00	0.00	0.00	0.00	0.00
	• Others, please specify	0.00	0.00	0.00	0.00	0.00	0.00
	Total B(2)	0.00	0.00	0.00	0.00	0.00	0.00
	Total (B)=B(1) +B(2)	0.00	0.00	0.00	0.00	0.00	0.00
	Total Managerial Remuneration	0.00	0.00	0.00	0.00	0.00	0.00
	Overall ceiling as per the Act	Act As per the limits specified under the Companies Act, 2013.					

Notes:

- Mr. Shayam Sunder Jhawar and Ms. Manpreet Kaur Hora have resigned from the post of Independent Director as on 05.10.2018 and 01.01.2019 respectively.
- Mr. Vikram Rajkumar Khandelwal was appointed as an Additional Director designated as an Independent Director of the Company w.e.f. 05th October, 2018.
- Ms. Raina Goyal was appointed as an additional Non-executive Director of the Company w.e.f 01st January, 2019.

C. Remuneration to Key Managerial Personnel Other Than MD/Manager/WTD

Sl. No.	Particulars of Remuneration	Key Managerial Personnel		
		Neerja Mandiya Company Secretary and Compliance Officer	Chandrasekhar Sharma CFO	Total
1.	Gross salary			
(a)	Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	1,77,000	2,10,000	3,87,000
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	0.00	0.00	0.00
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	0.00	0.00	0.00
2.	Stock Option	0.00	0.00	0.00
3.	Sweat Equity	0.00	0.00	0.00
4.	Commission - as % of profit - others, specify	0.00	0.00	0.00
5.	Others, please specify	0.00	0.00	0.00
	Total	1,77,000	2,10,000	3,87,000



VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD/ NCLT/ COURT]	Appeal made, if any (give Details)
A. COMPANY				
Penalty		None		
Punishment		None		
Compounding		None		
B. DIRECTORS				
Penalty		None		
Punishment		None		
Compounding		None		
C. OTHER OFFICERS IN DEFAULT				
Penalty		None		
Punishment		None		
Compounding		None		

By Order of the Board
for Gorani Industries Limited

Date: 07th August, 2019
Place: Indore

Anil Gorani
Sd/-
(Holding DIN 00055540)
(Chairman cum Whole Time Director)



ANNEXURE III

Form MR-3
SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED on 31st March, 2019
[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
Gorani Industries Limited
Plot No. 32-33, Sector-F
Sanwer Road Industrial Area, Indore
M.P. - 452015

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Gorani Industries Limited (hereinafter called the company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company Gorani Industries Limited 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, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on 31st March, 2019 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:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company Gorani Industries Limited for the financial year ended on 31st March, 2019 according to the provisions of:

- i. The Companies Act, 2013 (the Act) and the rules made thereunder;
- ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;

- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- iv. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings- There is no Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings in the Company during the year;
- 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;
 - (d) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008- There is no Listed Debt Securities in the Company;
 - (e) The Securities and Exchange Board of India (Share Based Employee Benefits) Guidelines, 2014- There is no Share Based Employee Benefits in the Company;
 - (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 (Listing Obligations and Disclosure Requirements) Regulations, 2015;
 - (h) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009- No Equity Shares are delisted during the year;



- (i) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998- There is no event of Buyback of securities during the year.

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

- i. Secretarial Standards issued by The Institute of Company Secretaries of India.
- ii. The Listing Agreement entered into by the Company with BSE Limited.

I further report that, having regard to the adequate systems and processes are in place to monitor and ensure compliance with general laws like labour laws, environment laws. On examination of the relevant documents and records in pursuance thereof, on test check basis, the company has complied with the general laws applicable to the Company except the observation mentioned herein below:

The Company could not produce before us the returns i.e. Form-D under the Payment of Bonus Act, 1965, Form-III under Minimum Wages Act, 1948, Form G-1 under Industrial Disputes Act, 1947, Form-27 under Factories Act, 1948, and Form-28 under Factories Act, 1948.

I 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 is given to all directors to schedule the Board Meetings, agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

I 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.

Regarding financial, direct/indirect taxation, Statutory Audit matters which have been dealt by other professionals hence, these matters are not in the scope of our audit and no comments have been made on these matters.

I further report that during the audit period, there were no instances of:

- i. Public / Rights / Preferential issue of shares / debentures/sweat equity.
- ii. Redemption / buy-back of securities.
- iii. Merger / amalgamation / reconstruction etc.
- iv. Foreign technical collaborations.

Place: Indore

Date: 07/08/2019

Sd/-

CS Manish Jain

For Manish Jain & Co.

Company Secretaries

FCS No.4651

C P No.:3049



To,
The Members
Gorani Industries Limited
32-33, Sector-F
Sanwer Road, Indore
M.P. - 452015

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

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

Place: Indore
Date: 07/08/2019

Sd/-
CS Manish Jain
For Manish Jain & Co.
Company Secretaries
FCS No.4651
C P No.:3049



Form No. AOC-2

Form for disclosure of particulars of contracts/arrangements entered into by the Company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arms length transactions under third proviso thereto

[Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014]

1. Details of contracts or arrangements or transactions not at arm's length basis
 - b) Name(s) of the related party and nature of relationship: NIL
 - c) Nature of contracts/arrangements/transactions :NIL
 - d) Duration of contracts/arrangements/transactions: NIL
 - e) Salient terms of the contracts or arrangements or transactions including the value, if any: NIL
 - f) Justification for entering into contracts or arrangements or transactions: NIL
 - g) Date(s) of approval by the board :NIL
 - h) Amount paid as advances, if any: NIL
 - i) Date on which the special resolution was passed in general meeting as required under first proviso to section 188:NIL
2. Details of material contracts or arrangements or transactions at arm's length basis

Name(s) of the related party and nature of relationship	Blow Hot Kitchen Appliances Private Limited (Directors i.e. Mr. Sanjay Gorani, Mr. Anil Gorani , and their relatives are Directors and/ or members)	M/s Gangotri Industries (The proprietor of the firm is relative of directors of the company)
Nature of contracts / arrangements / transactions	Sale, purchase or supply of any goods or materials, availing or rendering of any services to/from Blow Hot Kitchen Appliances Private Limited	Sale, purchase or supply of any goods or materials
Duration of contracts / arrangements/ transactions	3 Years (1st October 2017 to 30th September, 2020)	3 Years (1st October 2017 to 30th September, 2020)
Salient terms of the contracts or arrangements or transactions including the value, if any	Approval at Annual General Meeting dated 29/09/2017 and Limit is Rs. 5 Crore per annum.	Approval at Annual General Meeting dated 29/09/2017 and Limit is Rs. 5 Crore per annum.
Date(s) of approval by the board	11/08/2017	11/08/2017
Amount paid as advances, if any	NIL	NIL

By Order of the Board

Sd/-
Anil Gorani
(Holding DIN 00055540)
Chairman cum Whole Time Director



Information on Energy Conservation, Technology Absorption and Foreign Exchange Earnings and Outgo required to be disclosed under section 134 of the Companies Act, 2013 read with rules the Companies (Accounts) Rules, 2014 are provided hereunder:

1. CONSERVATION OF ENERGY

(i) Steps taken or impact on conservation of energy:

Our focus on the impact of our operations on climate change leads to our energy conservation strategy where we can best evaluate our performance through measurement of emission to the atmosphere.

- a. Additional power capacitors and power factor control equipments are installed to limit down demand.
- b. Changeover switch system has been employed to avoid electricity wastage.

Additional investments and proposal, if any, being implemented for reduction of consumption of energy:

Due to effective steps already taken to conserve energy, there is no immediate scope.

Impact of above measures:

Efficient utilization of power and consumption of electricity per unit of production has decreased.

Total energy consumption and energy consumption per unit of production as per Form A of the Annexure in respect of Industries specified in the schedule thereto.

Particulars		Unit	2018-19	2017-18
a.	Electricity			
	Purchased unit	KWH	2,66,160	2,76,380
	Total amount	Rs.	29,52,591	30,58,880
	Rate per unit	Rs./KWH	11.09	11.07
b.	Own generation			
	Units	KWH	4,820	4,630
	Units/ Ltr. of Diesel	KWH	6.03	3.86
	Cost per Unit	Rs./KWH	12.15	16.58
	Electricity consumed	KWH	0.99	0.99

(ii) Steps taken by the company for utilising alternate sources of energy;

As there has been satisfactory power supply from the Electricity Board, there appears no scenario for such situation.

(iii) Capital investment on energy conservation equipments;

Due to adequate arrangement, existing there is no further requirement of such investment considering the estimated production in near future.

2. TECHNOLOGY ABSORPTION, REASERCH & DEVELOPMENT (R&D)

(i) Efforts made towards technology absorption

Company is manufacturing ISI-Certified Gas Geysers which have thermal efficiency of 82% plus, thereby reducing the carbon footprint compared to electric geyser by 40% resulting into environmental energy conservation and emission of carbon-di-oxide and carbon-mom-oxide like harmful gases.



- (ii) The benefits derived like product improvement, cost reduction, product development or import substitution.

The team of Whole time director as supported by Managing Director have a vast experience of 30 years in the field of Kitchen wears ,has helped practically to understand the requirement of modified, improvised and more beautified user friendly product for which main customers are ladies, housewives, students. The continuous leaning and development process in last 10 years has helped to become safer, easy to handle products.

- (iii) In case of imported technology (imported during the last three years reckoned from the beginning of the financial year)--

- (a) the details of technology imported
- (b) the year of import;
- (c) whether the technology been fully absorbed
- (d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof

No technology as such is imported. The practical experience gained in travelling to and fro China by the directors while their frequent trips to the country for understanding the needs of the customers has resulted into improvised technical durability of the product.

- (iv) Expenditure on R&D:

So far as the current products namely LPG Stoves, Kitchen Chimney & Gas Geysers are concerned the minor technology specifications and beautifying modification have been obtained through the continuous manufacturing experience during last 10 years under the control of technical team headed by whole time technical director of the company. The ultimate object has been to make the above products more user (housewives) friendly from safety and handling point of view. Therefore relevant expenses have been absorbed by the yearly Income & Expenditure accounts.

3. FOREIGN EXCHANGE EARNINGS AND OUTGO: (Amount in Rs.)

Particulars		2018-19	2017-18
a.	Earnings FOB value of exports Freight Charges	NIL	NIL
b.	Outgo Import Expenses	8,29,17,235	7,02,56,389

By Order of the Board

Sd/-

Anil Gorani

(Holding DIN 00055540)

Chairman cum Whole Time Director

Place: Indore

Date: 7th August, 2019

Regd. Office:

Plot No. 32-33, Sector F,
Sanwer Road, Industrial Area,
Indore-452015 (M.P.)



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

- 1) The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the financial year 2018-19, ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2018-19 and the comparison of remuneration of each Key Managerial Personnel (KMP) against the performance of the Company are as under:

Name of Director	Designation	Remuneration for F.Y. 2018-19 (Amount in Rs.)	Remuneration for F.Y. 2017-18 (Amount in Rs.)	Increase in remuneration from previous year	Percentage increase in remuneration from previous year	Ratio
Sanjay Gorani	Managing Director	18,00,000	14,50,000	3,50,000	24.14%	16.90
Anil Gorani	Whole Time Director	12,00,000	8,50,000	3,50,000	41.18%	11.27
Nakul Gorani	Whole Time Director	12,00,000	8,50,000	3,50,000	41.18%	11.27
Chandrasekhar Sharma	CFO	2,10,000	1,68,000	42,000	25.00%	
Suruchi Maheshawari	Company Secretary	-	1,37,231 (8 months 18 days)			
Neerja Mandiya	Company Secretary	1,77,000	57,846 (3 months 18 days)			

- 2) The median remuneration of employees of the Company during the financial year was Rs. 1,06,483/-
- 3) In the financial year, there is an increase of 4.27% in the median remuneration of employees;
- 4) There were 101 permanent employees on the rolls of Company as on March 31, 2019;
- 5) Average percentage increase made in the salaries of employees other than the managerial personnel in the last financial year i.e. 2018-19 is 5.56%
- 6) The key parameters for the variable component of remuneration availed by the directors are considered by the Board of Directors based on the recommendations of the Human Resources, Nomination and Remuneration Committee as per the Remuneration Policy for Directors, Key Managerial Personnel and other Employees:
- 7) It is hereby affirmed that the remuneration paid is as per the as per the Remuneration Policy for Directors, Key Managerial Personnel and other Employees.



8) Details of top ten employees of the Company under Rule 5 (2) of the Companies (Appointment and Remuneration) Rules, 2014 as amended from time to time:

Sr. No.	Name of the Employee	Designation of the Employee	Remuneration Received (Rs.)	Nature of employment, whether contractual or otherwise	Qualifications and experience of the employee	Date of commencement of employment	Age	The last employment held by such employee before joining the Company	The percentage of equity shares held by the employee in the Company within the meaning of rule 5(2)(iii) of Companies (Appointment and Remuneration) Rule 2014	Whether any such employee is a relative of any director or manager of the Company and if so, name of such director or manager
1.	Chandra Shekhar Sharma	C.F.O.	2,10,000	Contractual	M.Com 19 Yrs.	1-Aug-99	58 Yrs.	Jayant Vitamins Ltd.	NIL	NA
2.	Mohammed Ahmed Khan	Dispatch Incharge	1,98,000	Contractual	M.Com, LLB 23 Yrs.	2-Sep-96	61 Yrs.	Modella Steel	NIL	NA
3.	Abhay Sharma	Manager Accounts	1,95,000	Contractual	M.Com 16 Yrs.	1-Oct-16	40 Yrs.	Wanderland Real Estate Pvt. Ltd.	NIL	NA
4.	Antony Paulose Joseph	Tool Room Incharge	1,86,000	Contractual	Diploma in Mechanical Engineering 14 Yrs.	13-Jul-05	59 Yrs.	Super Steel Mfg. Co.	NIL	NA
5.	Vinod Sharma	Production Incharge	1,86,000	Contractual	B.Sc 19 Yrs.	15-Sep-00	56 Yrs.	Super Steel Mfg. Co.	NIL	NA
6.	Neelkanth Badve	Labour Officer	1,80,000	Contractual	M.Com 23 Yrs.	2-Sep-96	54 Yrs.	-	NIL	NA
7.	Neerja Mandiya	CS and Compliance Officer	1,77,000	Contractual	CS 1 Yr.	18-Dec-17	25 Yrs.	-	NIL	NA
8.	A. Sushila Rao	Back Office Assistant	1,68,000	Contractual	B.A 19 Yrs.	2-Sep-96	46 Yrs.	-	NIL	NA
9.	Premnarayan Nagar	Paint Section Incharge	1,65,000	Contractual	B.Com 9 Yrs.	11-Oct-09	51 Yrs.	Super Steel Mfg. Co.	NIL	NA
10.	Subodh Laad	Purchase Manager	1,29,000	Contractual	M.Com 18 Yrs.	9-Sep-97	51 Yrs.	-	NIL	NA

Place: Indore
Date: 07 August, 2019
Regd. Office:
Plot No. 32-33, Sector F, Sanwer Road,
Industrial Area, Indore-452015 (M.P.)

By Order of the Board
Sd/-
Anil Gorani
(Holding DIN 00055540)
Chairman cum Whole Time Director



MANAGEMENT DISCUSSION AND ANALYSIS REPORT

INDUSTRY STRUCTURE AND DEVELOPMENTS

Changing household and commercial lifestyles, economical availability of electricity, rising concerns regarding eco-friendly appliances are expected to be the key drivers of the kitchen appliances market size. Development of e-commerce distribution channels, emergence of Information technology and other smart technologies will support the overall kitchen appliances market share from 2016 to 2023.

Environmental concerns regarding rising pollution and global warming has led to the development of appliances that are energy efficient. Technological advancements in accordance to this trend may help manufacturers garner huge gains over the forecast timeline. Moreover, regulatory bodies are expected to entertain such portfolio in the industry and may boost the current growth rate.

The company is in the business of production, manufacturing and dealing in Kitchen appliances and Kitchenware which is one such sector within the overall household segment that has been in the limelight in recent past. Kitchen appliances are gaining popularity due to the rising disposable income and changing lifestyles of people, which in turn is narrowing the price gap between similar consumer products offered by different companies. In addition to this, technological advancements in appliances have also catalyzed the growth of kitchen appliances market. Easy and functional appliances are the need of the hour, which has led to the development of smart, standardized and efficient appliances. All products of the Company are ISI certified and are sophisticated to bring the age old domestic appliances to a new height. The legendary products of the Company like BLOWHOT, ONLINE reflect the sophistication of the products and the reliability as well as exquisite look due to modernization of the design of the product.

Discussion on financial performance with respect to operational performance.

Sr. No.	Particulars	2018-19	2017-18
1.	Net Sales from operations	20,41,52,957	20,31,91,088
2.	Other Income	9,34,209	9,02,947

Sr. No.	Particulars	2018-19	2017-18
3.	Sub-total	20,50,87,166	20,40,94,035
4.	Total Expenditure (Before interest and Depreciation)	19,28,48,814	19,34,43,642
5.	Operating Profit (EBIDTA)	1,22,38,352	1,06,50,393
6.	Operating Margin %	5.99%	5.24%
7.	Profit / (Loss) After Tax	56,45,537	78,07,391
8.	Return on Capital Employed % (EBIT)	21.53%	25.26%
9.	No. of Months Receivables (Receivables / Sales X 12)	2.18	2.83
10.	Current Ratio (Current Assets / Current Liabilities)	1.33	1.21
11.	Borrowings : Equity Ratio (TL/Equity)	1.10	2.40
12.	Production (Nos.) :-		
(A)	Gas Gyser	73,970	56549
(B)	LPG Glass Top	1,25,295	126636
(C)	Chimney	26,046	32530

Company's revenue from operations for the year 2018-19 was Rs. 20,41,52,957, reflecting an increase of 0.47% over the previous year. The Company's profit before exceptional items and tax during the year ended 31st march 2019 Rs. 82,15,396 grew by 5.23%.

EARNINGS BEFORE INTEREST, TAX, DEPRECIATION AND AMORTIZATION (EBIDTA)

During the fiscal 2018-19, the Company reported an EBIDTA of Rs.1,22,38,352 when compared to the previous year's figure of Rs. 1,06,50,393.

PROFIT BEFORE TAX (PBT)

PBT was at Rs. 82,15,396/- in FY 2019, compared with previous year's Rs. 78,07,391/-.

PROFIT AFTER TAX (PAT)

PAT stood at Rs. 56,45,537/- in FY-2019 as compared to Rs. 78,07,391/- in FY- 2018.



EARNINGS PER SHARE (EPS)

EPS in the fiscal 2018-2019 stood at Rs. 1.09 per share compared to EPS of Rs. 1.44 per share in fiscal 2017-18.

OPPORTUNITIES AND THREATS

Demand for smart kitchen appliances has increased over the past few years. Technological advancements have influenced the demand for up gradation of kitchen appliances, thereby enabling smooth and reliable productivity while cooking. The Company has been adopting the strategy of continuously offering innovative, newer and improved products as well as marketing strategies to stay above competition whether organized or unorganized as a result of this the newly developed chimney has shown the growth in demand and has secured a status amongst the other established brands of same kind and quality with the most competitive pricing factor. These facts are supporting practically our belief of catching and then holding the pace of growth in our segment of products.

The implementation of the 7th Pay Commission, the favorable monsoon and the increase in buying power of citizens all served as positive signals for the industry. However, the move to demonetize higher denomination currencies affected the ACE (Appliances and Consumer Electronics) industry to a large extent. The scheme of sacrificing the LPG connection subsidy has also resulted into the increased demand of the LPG stove, our core product. Gas Geyser is also becoming a necessity now a day and is also becoming a promising product.

The company is in the process of making and implementing the strategies to capitalize available opportunities and minimizing the threats to ladder products across capacities, formats and prices. The company will put its every effort to maximize the internal accruals by way of input tax credit available in the GST law and by optimizing the product common costs so as to enable it to sustain profitably in the market.

SEGMENT WISE PERFORMANCE

The company has only one segment of Home Appliances and the products considered as part of the segment are, LPG stoves, Gas Hobs, Gas geysers, Water Heaters and Kitchen Chimneys.

The company is hopeful that through a combination of powerful marketing strategies, innovative new products and market development and expansion activities, it would increase its share in the domestic market of most of its products. The newly added organized customers to the chain of company products due to GST regime are very promising for the segmental growth.

OUTLOOK

The Indian kitchen appliances market grew at a healthy double-digit rate over the last decade, driven by a host of factors such as increasing rural penetration, improved disposable incomes and a revolution in lifestyle standards, purchasing preferences and buying trends.

However, in the last four years, the high growth of the past tapered off thus witnessing a sobering effect in the kitchen appliances industry. The key growth challenge encountered by the industry primarily came from the consumer sentiment and stagnation of incomes.

Both global and Indian economies are on the path of recovery. However, the overall market sentiment is positive and your Company expects to maintain its growth rates aided by the new range of products, barring unforeseen circumstances.

RISK AND CONCERNS

Your Company has developed and implemented a Risk Management Policy which includes identification of elements of risk, if any, which in the opinion of the Board, may threaten the existence of the Company.

Your Company continuously monitors and revisits the risks associated with its business. The company has review mechanism of risks at regular intervals. The management of the Company has identified some of the major areas in relation to business strategy, operations and transactions, statutory/legal compliance, financial reporting, information technology system and overall internal control framework. With improved efficiencies and economies of scale your Company is hopeful of maintaining a healthy margin and return on capital employed. Efficient working capital/ asset management, cash generation and robust stewardship will continue to be our focus areas as in the past.



Risks identified through our risk management processes are prioritized and, depending on the probability and severity of the risk. We have general response strategies for managing risks, which categorize risks according to whether the company will avoid, transfer, reduce or accept the risk.

INTERNAL CONTROL

The Company and the Management has adequate internal control systems in place to safeguard and shield the Company from losses and, unofficial use or deposition of assets. This also ensures that the Company's assets and interests are carefully protected and all the transactions are appropriately authorized, recorded and presented to the management. The Company always adheres to prescribed guidelines and follows all Accounting Standards prescribed for maintenance of books of accounts and reporting of financial statements. The appointed internal auditor monitor and report on the effectiveness of the internal control systems of the various areas of operations Key matters that are reported in the Internal Audit are brought to the notice of the Audit Committee of the Board of Directors and corrective measures are recommended and appropriate actions are taken. The Internal Control systems ensure the business operations function efficiently and the applicable laws, rules, regulations, policies of the Company are followed, in addition to safeguarding the reliability of financial reporting.

HUMAN RESOURCES/ INDUSTRIAL RELATIONS FRONT

The Company fully values the Human Capital and continued to have the cordial and harmonious relations with its employees. The company continues to focus on training employees on a continuous basis. The Company considers the quality of its human resources to be most important asset and constantly endeavors to attract and recruit best possible talent. The company maintains a strong business linkage to all human resource and initiatives.

Cautionary Statement

Statements in the Management Discussion and Analysis Report describing the Company's objectives, projections, estimates, expectations, predictions & contains forward looking statements within the meaning of applicable rules and regulations. It contains forward looking statements which are made in good faith based on the information available at the time of its approval. It is believed that the expectations reflected in these statements are reasonable but they may be affected by a number of risks and uncertainties that are inherent in any forward looking statement which could cause actual results to differ materially from those currently anticipated.



INDEPENDENT AUDITORS' REPORT

To the Members of
Gorani Industries Limited
Report on the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of Gorani Industries Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2019, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under sec 133 of the act read with the companies (Indian Accounting Standards) Rules, 2015 as amended ("Ind-AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2019, and its profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters

We have determined that there is no key audit matter to communicate in our report

Management's Responsibility for the Standalone Financial Statements

The Company's board of directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("The Act") with respect to the preparation and presentation of these standalone financial statements that give a true and fair view of the financial position, financial performance, total Comprehensive Income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India including the Indian Accounting Standards (Ind AS) Rules, 2015 (as amended) under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate Accounting Policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

That Board of Directors is also responsible for overseeing the Company's financial reporting process.

Auditors' Responsibility

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.



As part of audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

1. Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
5. Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Materiality is the magnitude of misstatements in the

Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Financial Statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the Financial Statements.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditors 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 enclosed in the "Annexure A", a statement on the matters specified in paragraphs 3 and 4 of the order.
2. As required by Section 143(3) of the Act, we report that:
 - a. We have sought and obtained all the informations and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
 - b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c. The Balance Sheet, the Statement of Profit and Loss including other comprehensive income, the Cash Flow Statement and the Statement of changes in equity dealt with by this Report are in agreement with the relevant books of account.
 - d. In our opinion, the aforesaid standalone financial statements comply with the Indian Accounting



Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014

- e. On the basis of the written representations received from the directors as on March 31, 2019, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2019 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"
- g. With respect to other matters to be included in the Auditor's report in accordance with the requirements of section 197(16) of the act, as amended:
In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the company to its directors during the year is in accordance with the provisions of section 197 of the act.
- h. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014 as amended, in our opinion and to the best of our information and according to the explanation given to us:
 - i. There is no pending litigation which impact the financial position of company and to be included in financial statements;
 - ii. The Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses; hence no provision was required to be made; and
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For: SNEHA SARDA & CO.
Chartered Accountants
Firm Reg. No. 014579C

Place: Indore
Date : 28/05/2019

CA. SNEHA MANTRI
Proprietor
Membership no. 512148

ANNEXURE "A" REFERRED TO IN PARAGRAPH 1 UNDER THE HEADING OF "REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS" OF OUR REPORT OF EVEN DATE TO THE MEMBERS OF GORANI INDUSTRIES LIMITED ON THE ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2019

- (i) In respect of the Company's property, plant and equipment
 - (a) The Company has maintained proper records to show full particulars, including quantitative details and situation of its fixed assets.
 - (b) All fixed assets of the Company are physically verified by the management at regular intervals, which in our opinion, is reasonable considering the size of the Company and the nature of assets. During the year, as informed to us by management, no material discrepancies have been noticed on such verification.
 - (c) The title deeds of immovable properties are held in the name of the Company.
- (ii) In respect of its inventory:
 - (a) As explained to us, the inventories of finished goods, semi-finished goods, stores, spare parts and raw materials were physically verified at regular intervals by the Management. In case of inventories lying with third parties, certificates of stocks holding have been received.
 - (b) In our opinion and according to the information and explanations given to us, the Company has maintained proper records of its inventories. The discrepancies noticed on physical verification of stocks as compared to book records were not material and have been properly dealt with in the books of account.
- (iii) In our opinion and according to information and explanations given to us, the Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Act. Accordingly, paragraph 3(iii) of the Order is not applicable to the Company.
- (iv) In our opinion and according to information and explanations given to us, the Company has not granted



- any loans or provided any guarantees or security to the parties covered under Section 185 or 186. Accordingly, paragraph 3(iv) of the Order is not applicable to the Company.
- (v) The company has not accepted any deposits from public during the year. Accordingly, paragraph 3(v) of the Order is not applicable to the Company.
- (vi) As informed to us, the Central Government has not prescribed maintenance of cost records under sub-section (1) of Section 148 of the Act, in respect of the activities carried on by the Company. Accordingly, paragraph 3(vi) of the Order is not applicable to the Company.
- (vii) In respect of statutory dues:
- (a) According to the records of the company and information and explanations given to us, the Company has generally been regular in depositing undisputed statutory dues, including, Investor Education and Protection Fund, Income-tax, Tax deducted at sources, Tax collected at source, Professional Tax, Goods & Services Tax and other material statutory dues applicable to it, with the appropriate authorities except Provident Fund, Employees State Insurance (ESI) in which there is a delay in depositing the dues.
- (b) According to the information and explanations given to us, there were no undisputed amounts payable in respect of Income-tax, Custom Duty, Goods & Services Tax, Cess and other material statutory dues in arrears /were outstanding as at 31 March, 2019.
- (viii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of loans or borrowings to financial institution, bank, Government or dues to debenture holders.
- (ix) According to the records of the company, the Company has not raised any money by way of initial public offer or further public offer (including debt instrument) during the year. In our opinion the term loans raised during the year were applied for the purpose for which those are raised.
- (x) Based upon the audit procedures performed and according to the information and explanations given to us, no material fraud on the Company by its officers or employees nor any fraud by the Company has been noticed or reported during the course of our audit.
- (xi) According to the information and explanations given to us and based on our examination of the records, 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.
- (xii) 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.
- (xiii) According to the information and explanations given to us and based on our examinations of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act, where applicable. The details of such related party transactions have been disclosed in the financial statements as required under applicable Accounting Standard.
- (xiv) According to the information and explanations given to us and based on our examination of the records, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- (xv) According to the information and explanations given to us and based on our examination of the records, the Company has not entered into non-cash transactions with directors or persons connected with him.
- (xvi) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

For: SNEHA SARDA & CO.
Chartered Accountants
Firm Reg. No. 014579C

Place: Indore
Date : 28/05/2019

CA. SNEHA MANTRI
Proprietor
Membership no. 512148



ANNEXURE "B" AS REFERRED TO IN PARAGRAPH 2(f) UNDER THE HEADING OF "REPORT ON LEGAL AND REGULATORY REQUIREMENTS" OF OUR REPORT OF EVEN DATE TO THE MEMBERS OF GORANI INDUSTRIES LIMITED LIMITED ON THE ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2019

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 Gorani Industries Limited ('the Company') as of March 31, 2019 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal controls 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 ("the Act").

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 were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's 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 authorisations of management and directors of the company; and



- (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2019, based on the internal control over financial reporting criteria established by the company considering the essential components of internal controls stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

For: SNEHA SARDA & CO.
Chartered Accountants
Firm Reg. No. 014579C

Place: Indore
Date : 28/05/2019

CA. SNEHA MANTRI
Proprietor
Membership no. 512148

BALANCE SHEET AS AT 31st MARCH' 2019

CIN- L28121MP1995PLC009170

PARTICULARS	Note No.	As at 31/03/2019	As at 31/03/2018
		Rs.	Rs.
ASSETS			
Non Current Assets			
Property Plant & Equipment	2	23,943,766	20,340,851
Capital Work in Progress		2,376,446	-
Other Non-Current Assets	3	431,254	460,872
Current Assets			
Inventories	4	37,297,773	49,028,318
Financial Assets			
Trade Receivables	5	37,087,688	47,874,718
Cash and Cash Equivalent	6	9,053,642	1,686,175
Other Financial Assets	7	326,900	136,400
Other Current Assets	8	8,360,392	1,901,429
Total		118,877,861	121,428,763
EQUITY			
Share Capital	9	48,751,000	50,613,000
Other Equity	10	(3,145,562)	(12,306,424)
LIABILITIES			
Non-current liabilities			
Financial Liabilities			
Borrowings	11	1,954,927	-
Deferred Tax Liabilities	12	2,239,627	362,281
Current liabilities			
Financial Liabilities			
Borrowings	13	47,529,076	38,951,239
Trade Payables	14	15,574,276	36,764,908
Other Financial Liabilities	15	4,501,985	2,780,103
Other Current Liabilities	16	1,472,532	4,263,656
Total		118,877,861	121,428,763
Significant Accounting Policies and Notes on Financial Statements	1 to 37		

For and on behalf of the Board

As per our report of even date
For SNEHA SARDA & CO.
Chartered Accountants
Firm Reg. No. 014579C

(Sanjay Gorani)
Managing Director
DIN :- 00055531

(Anil Gorani)
Whole Time Director
DIN : 00055540

(Nakul Gorani)
Whole Time Director
DIN : 06543317

(Neerja Mandiya)
(Company Secretary)

(C.S. Sharma)
C.F.O.

CA. Sneha Mantri
Proprietor
M.No. 512148

Place : Indore

Date : 28.05.2019

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31st MARCH 2019

CIN - L28121MP1995PLC009170

PARTICULARS	Note No.	Year Ended 31/03/2019	Year Ended 31/03/2018
		Rs.	Rs.
Income			
I Revenue from Operations	17	204,152,957	203,191,088
II Other income	18	934,209	902,947
III Total Revenue (I+II)		205,087,166	204,094,035
IV Expenses			
Cost of Materials Consumed	19	169,333,237	160,322,118
Purchases of Trading Goods		1,790,781	1,455,051
Changes in inventories of finished goods, work in progress and Stock-in- trade	20	(6,502,881)	3,493,650
Excise Duty		-	2,333,112
Employee benefits expenses	21	16,465,592	15,864,371
Finance costs	22	1,946,040	1,120,324
Other expenses	23	11,417,805	9,562,188
Net depreciation and amortization expenses	2	2,421,196	2,135,830
Total (IV)		196,871,770	196,286,644
V Profit Before Exceptional and Tax (III-IV)		8,215,396	7,807,391
VI Exceptional items		-	-
VII Profit Before Tax (V-VI)		8,215,396	7,807,391
VIII Tax expenses			
Current tax		1,517,950	-
MAT Credit		(609,593)	-
Deferred tax		1,661,502	-
Total tax expenses		2,569,859	-
IX Profit/(loss) for the year (VII-VIII)		5,645,537	7,807,391
X Other Comprehensive Income			
(i) Items that will not be reclassified to profit & loss			
Remeasurements of net defined benefit plans		830,169	643,129
Income tax relating to above items	28	(215,844)	(165,606)
XI Total Comprehensive Income for the year (IX+X)		6,259,862	8,284,914
Earnings per Share			
Equity Shares of ₹ 10 each			
Basic		1.09	1.44
Diluted		1.09	1.44
Significant Accounting Policies and Notes on Financial Statements	1 to 37		

For and on behalf of the Board

As per our report of even date
For SNEHA SARDA & CO.
Chartered Accountants
Firm Reg. No. 014579C

(Sanjay Gorani)

(Anil Gorani)

(Nakul Gorani)

(Neerja Mandiya)

(C.S. Sharma)

CA. Sneha Mantri

Managing Director

Whole Time Director

Whole Time Director

(Company Secretary)

C.F.O.

Proprietor

DIN :- 00055531

DIN : 00055540

DIN : 06543317

M.No. 512148

Place : Indore

Date : 28.05.2019

CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH 2019

CIN - L28121MP1995PLC009170

PARTICULARS	Note No.	As at 31/03/2019	As at 31/03/2018
		Rs.	Rs.
Cash flow from operating Activities			
Net profit before taxation		8,215,396	7,807,391
Add adjustments for :			
Depreciation / amortisation		2,421,196	2,135,830
Interest income		(24,969)	(28,106)
Interest Income due to fair valuation of security deposit		-	(36,934)
Interest Paid		1,601,760	707,172
Insurance Claim		(88,193)	-
Unrealised foreign exchange difference		(39,125)	89,485
Gain on fair valuation of security deposit		-	(1,636)
Prepaid Rent Written off (due to fair valuation of security deposit)		-	38,570
Employee Benefit Expense		390,166	688,886
Operating profit before working capital changes		12,476,231	11,400,658
Adjustments for changes in working capital :			
- Trade and other receivables		10,787,030	(32,683,539)
- Inventories		11,730,546	6,739,784
- Other financial assets		(190,500)	399,052
- Other current assets		(4,704,682)	618,277
- Trade and other payables		(19,435,447)	14,323,284
- Other current liabilities		(2,791,124)	3,189,978
Cash generated from operation		7,872,053	3,987,494
- Taxes paid (net)		2,216,813	2,721
Net cash from Operating Activities (A)		5,655,240	3,984,773
Cash flow from Investing Activities			
(Purchase) / Sales of fixed assets		(8,400,558)	(688,773)
Insurance Claim		88,193	-
Interest received		24,969	28,106
Increase/(Decrease) in other non current assets		29,618	(17,985)
Net cash used in Investing Activities(B)		(8,257,778)	(678,652)
Cash flow from Financing Activities			
Interest paid		(1,601,760)	(707,172)
Proceeds from Calls Unpaid		1,039,000	-
Increase/(Decrease) in Short term Borrowings		8,577,837	(2,061,579)
Increase/(Decrease) in other non current liabilities		1,954,928	-
Net cash used in Financing Activities(C)		9,970,005	(2,768,751)
Net increase in cash and cash equivalents (A+B+C)		7,367,467	537,369
Cash and cash equivalents at the beginning of the year		1,686,175	1,148,806
Cash and cash equivalents at the end of the year		9,053,642	1,686,175
Cash in Hand		102,290	209,560
Balance In Current Accounts with Scheduled Bank		8,951,352	1,476,615
		9,053,642	1,686,175
Significant Accounting Policies and Notes on Financial Statements	1 to 37		

For and on behalf of the Board

As per our report of even date
For SNEHA SARDA & CO.
Chartered Accountants
Firm Reg. No. 014579C

(Sanjay Gorani)

(Anil Gorani)

(Nakul Gorani)

(Neerja Mandiya)

(C.S. Sharma)

CA. Sneha Mantri

Managing Director

Whole Time Director

Whole Time Director

(Company Secretary)

C.F.O.

Proprietor

DIN :- 00055531

DIN : 00055540

DIN : 06543317

M.No. 512148

Place : Indore

Date : 28.05.2019

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31st MARCH 2019

CIN - L28121MP1995PLC009170

A. Equity Share Capital

Particulars	Amount
As at 31st March, 2017	50,613,000
Changes in equity share capital	-
As at 31st March, 2018	50,613,000
Changes in equity share capital	(1,862,000)
As at 31st March, 2019	48,751,000

B. Other Equity

	Reserve & Surplus		Total
	Capital Reserve	Retained Earnings	
As At 1, April 2017	-	(20,591,338)	(20,591,338)
Profit for the period	-	7,807,391	7,807,391
Other comprehensive income	-	477,523	477,523
Total comprehensive income	-	8,284,914	8,284,914
Balance as on 31, March 2018	-	(12,306,424)	(12,306,424)
As At 1, April 2018	-	(12,306,424)	(12,306,424)
Profit for the period	-	5,645,537	5,645,537
Other comprehensive income	-	614,325	614,325
Total comprehensive income	-	6,259,862	6,259,862
Share Forfeited during the year	2,901,000	0	2,901,000
Balance as on 31, March 2019	2,901,000	(6,046,562)	(3,145,562)

For and on behalf of the Board

As per our report of even date
For SNEHA SARDA & CO.
Chartered Accountants
Firm Reg. No. 014579C

(Sanjay Gorani)
Managing Director
DIN :- 00055531

(Anil Gorani)
Whole Time Director
DIN : 00055540

(Nakul Gorani)
Whole Time Director
DIN : 06543317

(Neerja Mandiya)
(Company Secretary)

(C.S. Sharma)
C.F.O.

CA. Sneha Mantri
Proprietor
M.No. 512148

Place : Indore

Date : 28.05.2019



Notes forming part of Financial Statements

CIN - L28121MP1995PLC009170

1. SIGNIFICANT ACCOUNTING POLICIES FOLLOWED BY THE COMPANY

A] Basis for preparation:

i. Compliance with Ind AS

These financial statements have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified by Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 as amended.

The financial statements have been prepared on accrual and going concern basis. The accounting policies are applied consistently to all the periods presented in the financial statements. All assets and liabilities have been classified as current or non current as per the Company's normal operating cycle and other criteria as set out in the Division II of Schedule III to the Companies Act, 2013. Based on the nature of products and the time between acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current or non-current classification of assets and liabilities.

ii. Basis of measurement

The financial statements have been prepared on an accrual basis and in accordance with the historical cost convention except:

- a) Certain financial assets that are measured at fair value.
- b) Defined benefit plans measured at fair value.

All assets and liabilities have been classified as current or non-current as per the normal operating cycle (12 months) and other criteria set out in Schedule III to the Act.

B] Use of Judgements and Estimates

The estimates and judgements used in the preparation of financial statements are continuously evaluated by the company and are based on historical experience and various other assumptions and factors that were reasonable under the circumstances. Difference between the actual results and estimates are recognized in the period in which the results are known / materialized.

C] Functional and Presentation Currency

The functional and presentation currency of the company is the Indian Rupees (₹).

D] Foreign Currency Transaction

The transactions in foreign currencies are recorded at the rate prevailing on the date of the transaction. Monetary items denominated in foreign currency are restated at the rate prevailing on the balance sheet date. Exchange gains/ losses on settlement and on conversion of monetary items denominated in foreign currency are dealt with in the profit and loss account.

E] Property, Plant and Equipment

Property, plant and equipment is stated at acquisition cost net of accumulated depreciation and accumulated impairment losses, if any. Property, plant and equipment acquired in a business combination are recognised at fair value at the acquisition date. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance cost are charged to the Statement of Profit and Loss during the period in which they are incurred.

F] Depreciation

Depreciation on property, plant and equipment has been provided on useful life of the assets as prescribed in the Schedule II to the Companies Act, 2013 on straight line method (SLM). Assets which are purchased, sold or scrapped during the year,



depreciation has been provided on pro-rata basis. The estimated useful life of items of Property, Plant & Equipments are as follows:

Type of Asset	Estimated Useful life	Type of Asset	Estimated Useful life
Building	30	Computer	3
Plant & Machinery	15	Air Conditioner	10
Dies & Tools	15	ETP	15
Office Equipments	5	Vehicles	10
Laboratory Equipments	10	Vehicles	8
Electrical Installations	10	Fire Fighting Equipments	5
Furniture & Fixture	10		

The residual values and useful lives of Property, Plant & Equipments are reviewed at each financial year and adjusted prospectively.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in the Statement of Profit & Loss.

G] Financial Instruments

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instruments. Financial assets and financial liabilities are initially measured at fair value.

(1) Financial Assets:

The company classifies its financial assets as follows:

- a) Financial Assets at amortised cost : Assets that are held for collection of contractual cash flows where these cash flows represent solely payments of principal and interest are measured at amortised cost.
Financial assets are measured initially at fair value and subsequently carried at amortised cost using the effective interest method. Financial assets at amortised cost are represented by security deposits with others.
- b) Fair value of current assets such as trade receivables, cash and cash equivalents approximate their carrying amounts largely due to short term maturities.

(2) Financial Liabilities:

- a) Fair value of current liabilities such as trade payables, borrowings and other financial liabilities approximate their carrying amounts due to short term maturities.

H] Inventories

Inventories of raw materials, work in progress, stores and spares, finished goods and stock in trade are stated at the lower of cost or net realizable value. Cost is determined on the basis of FIFO method. The cost comprises all cost of purchase, cost of conversion and other costs incurred in bringing the inventories to their present location and condition.

I] Cash & Cash Equivalents:

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash in hand, bank overdraft, other short term highly liquid investments with original maturities of three months that are readily convertible to known amounts of cash.

J] Employee Benefits

a. Short Term Benefits:

Liabilities for wages and salaries benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled.



- b. Defined Contribution Plans:
Payments to defined contribution plan viz. government administered provident funds and ESIC are recognized as an expense when employees have rendered service entitling them to contributions.
- c. Post Employment / Termination Benefits:
Company has established a separate fund with Life Insurance Corporation of India. Liability on these benefits is calculated and provided based on actuarial valuation provided by independent actuary using "Projected unit credit" method.

K] Borrowing Cost

Borrowing cost that is attributable to the acquisition or construction of qualifying assets is capitalized as part of the cost of such assets. A qualifying asset is an asset that necessarily takes a substantial period of time to get ready for its intended use. All other borrowing cost is recognized as an expense in the period in which they are incurred.

L] Income tax

a) Current tax:

The current income tax expense is the tax payable on the current period's taxable income based in accordance with local laws of jurisdictions where the company operates. Tax payable is calculated using the tax rates that have been enacted by the end of the reporting period.

b) Deferred Tax:

Deferred tax is recognized using the balance sheet approach on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting on the reporting date.

Deferred tax are recognized to the extent it is probable that taxable profit will be available against which the deductible differences against which the temporary differences and losses will be adjusted. Tax rate used to compute the tax is those that have been enacted by the end of the reporting period.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available.

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognized in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

M] Revenue Recognition

The Company derives revenue primarily from sale of manufactured and traded goods. Effective from 01st April 2018, the company has adopted Ind AS 115 – 'Revenue from contracts with customers' which establishes a comprehensive framework for determining whether, how much and when revenue is to be recognized. Ind AS 115 replaces Ind AS 18 Revenue. The impact of the standard on the financial statements of the company is insignificant.

Revenue from sale of goods is recognized when control of the products being sold is transferred to our customer and when there are no longer any unfulfilled obligations.

The Performance Obligations in our contracts are fulfilled at the time of dispatch or delivery.

Revenue is measured at fair value of consideration received or receivable, after deduction of any trade discounts, volume rebates and any taxes or duties collected on behalf of the government such as goods and service tax etc. Revenue is only recognized to the extent that it is highly probable a significant reversal will not occur.

Interest income is recognised on accrual basis or by using the effective interest method, wherever applicable.

N] Earning per share

The company presents Basic and Diluted earnings per share data for its equity shares. Basic and diluted earnings per share are calculated by dividing the profit or loss attributable to equity shareholders of the company by the weighted average number of equity shares outstanding during the year.



O] Provisions, Contingent Liabilities and Assets:

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

Contingent Liabilities are disclosed in respect of possible obligations that arise from past events but their existence will be confirmed by the occurrence or non occurrence of one or more uncertain future events not wholly within the control of the Company or where any present obligation cannot be measured in terms of future outflow of resources or where a reliable estimate of the obligation cannot be made. Disclosure is not made if the possibility of an outflow of future economic benefits is remote.

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity. The Company does not recognise a contingent asset.

P] Research & Development:

Capital expenditure on research and development is treated in the same way as expenditure on Fixed Assets. The revenue expenditure on Research & Development is written off in the year in which it is incurred.

Q] Impairment :

The Company on an annual basis makes an assessment of any indicator that may lead to impairment of assets. If any such indication exists, the company estimates the recoverable amount of the assets. If such recoverable amount is less than the carrying amount, then the carrying amount is reduced to its recoverable amount by treating the difference between them, as impairment loss and the same is charged to profit & loss account. Based on the aforesaid review, the Company is of opinion that there is no impairment of any of its fixed assets as at 31st March 2019.

R] Fair Value Measurement:

The Company classifies the fair value of its financial instruments in the following hierarchy, based on the inputs used in their valuation:

- i) Level:1 The fair value of financial instruments quoted in active markets is based on their quoted closing price at the balance sheet date.
- ii) Level:2 The fair value of financial instruments that are not traded in an active market is determined by using valuation techniques using observable market data. Such valuation techniques include discounted cash flows, dealer quotes for similar instruments and use of comparable arm's length transactions.
- iii) Level:3 The fair value of financial instruments that are measured on the basis of entity specific valuations using inputs that are not based on observable market data (unobservable inputs). When the fair value of unquoted instruments cannot be measured with sufficient reliability, the Company carries such instruments at cost less impairment, if applicable.

Notes Forming Part of Financial Statement

CIN - L28121MP1995PLC009170

2. Property Plant & Equipment

	Leasehold Land	Building	Plant & Machinery	Dies & Tools	Office Equip-ments	Laboratory Equip-ments	Electrical Install-ations	Furniture & Fixtures	Computer	Air Condit-ioner	ETP	Vehicles	Fire Fighting Equip-ments	Total
Gross carrying Amount														
Balance as at 01.04.2017	465,016	7,458,021	12,809,350	1,278,888	52,656	44,178	89,960	112,745	70,834	51,574	1	1,432,406	1	23,865,630
Additions			158,061	279,975	50,500			169,609	14,703	15,925				688,773
Disposals														
Reclassification as held for sale														
Balance as at 31.03.2018	465,016	7,458,021	12,967,411	1,558,863	103,156	44,178	89,960	282,354	85,537	67,499	1	1,432,406	1	24,554,403
Additions			214,403	207,193				211,146	73,334	21,875		5,296,160		6,024,111
Disposals														
Reclassification as held for sale														
Balance as at 31.03.2019	465,016	7,458,021	13,181,814	1,766,056	103,156	44,178	89,960	493,500	158,871	89,374	1	6,728,566	1	30,578,514
Accumulated Depreciation														
Balance as at 01.04.2017	-	642,607	944,377	81,346	48,422	8,173	28,776	8,617	19,945	6,026	-	289,433	-	2,077,722
Additions		643,653	990,712	111,151	10,232	7,532	28,776	20,755	25,907	7,679	-	289,433	-	2,135,830
Disposals														
Reclassification as held for sale														
Balance as at 31.03.2018	-	1,286,260	1,935,089	192,497	58,654	15,705	57,552	29,372	45,852	13,705	-	578,866	-	4,213,552
Additions		643,600	997,511	122,536	10,099	5,013	21,755	43,037	33,206	10,618	-	533,821	-	2,421,196
Disposals														
Reclassification as held for sale														
Balance as at 31.03.2019	-	1,929,860	2,932,600	315,033	68,753	20,718	79,307	72,409	79,058	24,323	-	1,112,687	-	6,634,748
Net Carrying Amount														
Balance as at 31.03.2018	465,016	6,171,761	11,032,322	1,366,366	44,502	28,473	32,408	252,982	39,685	53,794	1	853,540	1	20,340,851
Balance as at 31.03.2019	465,016	5,528,161	10,249,214	1,451,023	34,403	23,460	10,653	421,091	79,813	65,051	1	5,615,879	1	23,943,766



Notes Forming Part of Financial Statement

CIN - L28121MP1995PLC009170

PARTICULARS	As at 31/03/2019	As at 31/03/2018
	Rs.	Rs.
3. Other Financial Assets		
Security Deposits with Government authorities	431,254	460,872
Total	431,254	460,872
4. Inventories (at lower of cost or net realisable value)		
Raw Material	22,939,356	41,264,943
Finished Goods	5,433,116	3,055,571
Work In Process	8,026,433	4,289,694
Stock-in-Trade	340,360	129,662
Stores and Spares	135,311	43,150
Scrap	423,197	245,298
Total	37,297,773	49,028,318
5. Trade Receivables		
Unsecured		
Good	37,087,688	47,874,718
Doubtful	-	-
Less: Loss Allowance	-	-
Total	37,087,688	47,874,718
6. Cash and Cash Equivalents		
Cash in Hand	102,290	209,560
Balance In Current Accounts with Scheduled Bank	8,951,352	1,476,615
Total	9,053,642	1,686,175
7. Other Financial Assets		
Security Deposits with Others	326,900	136,400
Total	326,900	136,400
8. Other Current Assets		
Amount Lying with Government Authorities	1,558,887	1,430,705
MAT Credit Available	609,593	
Prepaid Insurance & Expenses	116,688	139,768
Advance to Supplier	5,327,045	22,780
Defined Benefit Asset	748,179	308,176
Total	8,360,392	1,901,429



NOTES FORMING PART OF FINANCIAL STATEMENTS

CIN - L28121MP1995PLC009170

PARTICULARS	As at 31/03/2019	As at 31/03/2018
	Rs.	Rs.
9. Share Capital		
Authorised		
6000000 Equity Shares of Rs. 10/- each		
[Previous Year : 6000000 Equity Shares of Rs. 10/- each]	60,000,000	60,000,000
Issued and Subscribed		
4875100 Equity Shares of Rs. 10/- each.	48,751,000	54,380,000
[Previous Year : 5438000 Equity Shares of Rs. 10/- each]		
Total	48,751,000	54,380,000
Paid up		
5438000 Shares of Rs.10/- each fully paidup	54,380,000	54,380,000
Less:- Calls in Arrears	-	3,767,000
Less:- Calls revoked on Shares Forfeited	2,728,000	-
Less: Shares Forfeited	2,901,000	-
Total	48,751,000	50,613,000
A. Reconciliation of Shares:		
Number of Shares as at April, 1	5,438,000	5,438,000
Add: Shares issued during the year	-	-
Less: Shares forefeited during the year	(562,900)	-
Number of shares as at March, 31	4,875,100	5,438,000
B. List of Share holders having 5% or more Shares (In Nos)		
Name Of Shareholders		
Narendra Kumar Gorani	801,800 (16.45%)	801,800 (14.74%)
Online Appliances Ltd.	840,600 (17.24%)	840,600 (15.46%)
Sanjay Gorani	649,300 (13.32%)	649,300 (11.94%)
Shanta Devi Gorani	285,200 (5.85%)	285,200 (5.24%)
Anil Gorani	548,600 (11.25%)	304,900 (5.61%)
Lavekush Gadiya	378,000 (7.75%)	-

C. Details of calls unpaid

PARTICULARS	No. of shares	Amount in Rs.	No. of shares	Amount in Rs.
Equity shares with voting rights				
Aggregate of calls unpaid				
- by directors	-	-	-	-
- by officers	-	-	-	-
- by others	-	-	783,800	3,767,000
Total	-	-	783,800	3,767,000



NOTES FORMING PART OF FINANCIAL STATEMENTS

CIN - L28121MP1995PLC009170

PARTICULARS	As at 31/03/2019	As at 31/03/2018
	Rs.	Rs.
Unsecured		
From Directors	15,193,037	14,818,037
From Promoters	14,800,000	14,800,000
(As per Stipulation of the sanction of CC limit by Central bank of India)		
Total	47,529,076	38,951,239
14. Trade Payables		
Total Outstanding dues of Micro and Small Enterprises	5,914,687	9,322,416
Total Outstanding dues of Creditors other than Micro and Small Enterprises	9,659,589	27,442,492
Total	15,574,276	36,764,908
1. Trade Payables includes Rs. 59,14,687 (Previous Year Rs. 93,22,416) due to creditors registered with the Micro, Small and Medium Enterprises Development Act, 2006		
2. No Interest is Paid/ Payable during the year to Micro, Small and Medium Enterprises.		
3. The Above information has been determined to the extent such parties could be identified on the basis of the information available with the company regarding the status of the supplier under the MSME Act.		

PARTICULARS	As at 31/03/2019	As at 31/03/2018
	Rs.	Rs.
15. Other Financial Liabilities		
Current maturities of long term debts (within 12 Months)	890,392	-
Sundry Creditor for Expenses	902,285	200,372
Liability for Expenses	2,709,308	2,579,731
Total	4,501,985	2,780,103
16. Other Current Liabilities		
Advances From Customers	1,133,767	2,609,169
Taxes Duties and Other Payables	338,765	1,654,487
Total	1,472,532	4,263,656
17. Revenue from Operation		
Sales		
Manufactured Goods	202,506,240	199,293,651
Excise duty	-	2,311,237
Trading Goods	1,646,717	1,548,130
Others - Scrap Sale	-	38,070
Total	204,152,957	203,191,088
Details of Sales (Manufactured Goods)		
Steel Frame	10,613,440	5,380,800
L.P.G. Stoves	81,740,500	85,304,150
Gas Geysers	66,302,500	56,976,400
Rangehood (Chimney)	43,849,800	51,632,301
Total	202,506,240	199,293,651
Excise duty	-	2,311,237
Trading Goods	1,646,717	1,548,130
Others - Scrap Sale	-	38,070
Total	204,152,957	203,191,088



NOTES FORMING PART OF FINANCIAL STATEMENTS

CIN - L28121MP1995PLC009170

PARTICULARS	As at 31/03/2019	As at 31/03/2018
	Rs.	Rs.
18. Other Income		
Interest	24,969	28,106
Interest Income due to fair valuation of security deposit	-	36,934
Insurance Claim	88,193	-
Foreign exchange gain	821,047	835,970
Gain on fair valuation of security deposit	-	1,937
Total	934,209	902,947
19. Cost of Material Consumed		
Raw Materials' Consumed		
Stock at the beginning of the year	41,264,942	44,423,697
Add: Purchases	151,007,651	157,163,364
Less : Stock at the end of the year	(22,939,356)	(41,264,943)
	169,333,237	160,322,118
Details of Raw Material Consumed		
Iron & Steel	36,348,519	30,399,213
Other Raw Materials	2,074,268	2,379,249
Components & Stores	119,979,592	116,790,075
Packing Materials	10,930,858	10,753,581
	169,333,237	160,322,118
20. Change in Inventories		
Inventories at the Beginning of the Year		
Work-in Process	4,289,694	5,596,908
Finished Goods	3,055,571	5,449,845
Traded Goods	129,662	82,824
Scrap	245,298	84,298
	7,720,225	11,213,875
Less: Inventories at the End of the Year		
Work-in-Process	8,026,433	4,289,694
Finished Goods	5,433,116	3,055,571
Traded Goods	340,361	129,662
Scrap	423,196	245,298
	14,223,106	7,720,225
Decrease /(Increase) in Stock	(6,502,881)	3,493,650
21. Employee Benefit Expenses		
Salaries, Wages, Bonus etc.	9,982,982	10,172,176
Contribution to PF, ESIC & Other Statutory Funds	1,713,755	1,581,536
Workmen and Staff Welfare Expenses	110,715	211,431
Director Remuneration	4,200,000	3,150,000
Current Service Cost	510,061	558,020
Interest Cost	(51,921)	(37,535)
Past Service Cost	-	228,743
Total	16,465,592	15,864,371



NOTES FORMING PART OF FINANCIAL STATEMENTS

CIN - L28121MP1995PLC009170

PARTICULARS	As at 31/03/2019	As at 31/03/2018
	Rs.	Rs.
22. Finance Costs		
Interest to bank	1,601,760	707,172
Bank Charges	344,280	413,152
Total	1,946,040	1,120,324
23. Other Expenses		
Direct Expenses		
Consumptions Of Store and Spares	759,673	694,046
Power and Fuel	3,076,110	3,133,668
Repairs To - Plant & Machinery	470,684	292,062
Repairs To - Dies	1,206,156	775,411
Repairs To - Electric	133,172	106,499
Entry Tax	-	256,667
Laboratory Expenses	33,086	33,335
Other Factory Expenses	80,256	243,491
SUB TOTAL	5,759,137	5,535,179
Administrative and Other Expenses		
Insurance	125,181	132,608
Rent, Rates and Taxes	973,443	802,651
Office Expenses	98,407	66,795
ISO 9000 & Certification	-	7,500
Legal & Professional Charges	2,558,455	1,711,136
Books & Periodicals	4,423	4,730
Penalty (Health & Safety and Nap Tol)	15,000	10,570
Share listing, Demat & Registrar Exp.	425,807	366,164
Postage & Courier	116,127	54,612
Telephone Expenses	94,966	155,146
Stationery & Printing	112,304	108,264
Director's Travelling & Conveyance	98,627	20,370
Payment to Auditors:		
For Statutory Audit	65,000	45,000
For Tax Audit	15,000	20,000
For Others	10,000	10,000
Registration & Fees	88,541	64,582
VAT & CST after Assessment	18,657	14,927
Balances Written OFF	(6,112)	65
Prepaid Rent Written off (due to fair valuation of security deposit)	-	38,570
Vehicle Running & Maintenance	149,038	147,311
SUB TOTAL	4,962,864	3,781,001
Selling & Distribution Expenses		
Advertisement & Publicity	42,602	34,314
Marking Fee	183,111	173,694
Freight Outwards	470,091	38,000
SUB TOTAL	695,804	246,008
TOTAL	11,417,805	9,562,188



NOTES FORMING PART OF FINANCIAL STATEMENTS

CIN - L28121MP1995PLC009170

24. Related Party Transactions

Related party disclosures, as required by Indian Accounting Standard 24, "Related Party Disclosures" issued by the Institute of Chartered Accountants of India for the year ended 31st March, 2019 are given below:

Name of the related parties and relationship

(a) Associate Companies

M/s Blow Hot Kitchen Appliances Private Limited

(b) Key Management Personnel and their relatives

Mr. Sanjay Gorani	Managing Director
Mr. Anil Gorani	Whole Time Director
Mr. Nakul Gorani	Whole Time Director
Mr. Narendra Gorani (Proprietor of Gangotri Industries)	Relative of Director
Mrs. Manju Gorani	Relative of Director
Mr. C.S.Sharma	CFO
Ms. Neerja Mandiya	Company Secretary

(c) The transactions entered into with the related parties during the year along with related balances as at 31st March 2019 are as under:

Nature of Transaction	Related Parties Referred Above in	
	(a)	(b)
Rent	- (36,000)	- -
Consultancy Fees	- -	1,800,000 (675,000)
Loan Taken	- -	375,000 (3,175,000)
Repayment of Loan	- -	- (13,134,235)
Amount Outstanding as at Balance Sheet Date	- -	29,993,037 (29,618,037)
Managerial Remuneration	- -	4,200,000 (3,150,000)
Remuneration to other KMP (CFO, CS)	- -	387,000 (375,077)
Sale of Goods	18,416,190 (17,159,286)	14,223,664 (6,280,028)
Purchase of Goods	- -	4,727,617 (3,584,156)



NOTES FORMING PART OF FINANCIAL STATEMENTS

CIN - L28121MP1995PLC009170

Particulars	Loan taken	Loan Repaid	Amount Outstanding	Managerial Remuneration
Mr. Sanjay Gorani	- (1,625,000)	- -	7,293,400 (7,293,400)	1,800,000 (1,450,000)
Mr. Nakul Gorani	- (625,000)	- -	5,199,237 (5,199,237)	1,200,000 (850,000)
Mr. Anil Gorani	375,000 (925,000)	- -	2,700,400 (2,325,400)	1,200,000 (850,000)
Mr. Narendra Gorani	- -	- (13,134,235)	13,500,000 (13,500,000)	- -
Mrs. Manju Gorani	- -	- -	1,300,000 (1,300,000)	- -
Total	375,000 (3,175,000)	- (13,134,235)	29,993,037 (29,618,037)	4,200,000 (3,150,000)

Particulars	Gross Purchases	Gross Sales	Rent	Consultancy Fees Paid
M/s Blow Hot Kitchen Appliances Private Limited. (Rent Paid)	- -	- -	- (36,000)	- -
M/s Blow Hot Kitchen Appliances Private Limited.	- -	18,416,190 (17,159,286)	- -	- -
Mr. Narendra Gorani (Proprietor of Gangotri Industries)	- -	14,223,664 (6,280,028)	- -	- -
Mr. Narendra Gorani (Proprietor of Gangotri Industries)	4,727,617 (3,584,156)	- -	- -	- -
Mr. Narendra Gorani	- -	- -	- -	1,800,000 (675,000)

Details of Maximum Amount O/s during the year

Particulars	Amount (In Rs.)
Shri Sanjay Gorani	7,293,400
Shri Nakul Gorani	5,199,237
Shri Anil Gorani	2,700,400
Shri Narendra Gorani	13,500,000
Smt. Manju Gorani	1,300,000
Total	29,993,037



NOTES FORMING PART OF FINANCIAL STATEMENTS

CIN - L28121MP1995PLC009170

25. Post Retirement Benefit Plans Gratuity:

PARTICULARS	As at 31/03/2019	As at 31/03/2018
A. Amount recognized in Balance Sheet		
(Present Value of Benefit Obligation at the end of the Period)	5,621,904	5,541,412
Fair Value of Plan Assets at the end of the Period	6,370,083	5,849,588
Funded Status (Surplus)/ Deficit	(748,179)	(308,176)
Unrecognised Past Service Cost/(Credit)	-	-
Unrecognised Asset due to Limit in Para 64(b)	-	-
Net Liability/(Asset) Recognized in the Balance Sheet	(748,179)	(308,176)

PARTICULARS	As at 31/03/2019	As at 31/03/2018
B. Amount recognized in the Statement of Profit & Loss as Employee Benefit Expense		
Current Service Cost	510,061	558,020
Net Interest Cost	395,572	349,850
Expected Return on Plan Assets	(447,493)	(387,385)
Past Service Cost	-	228,743
(Gain)/Loss due to Settlements/Curtailments/Acquisitons/Divestitures	-	-
Unrecognised Asset due to Limit in Para 64(b)	-	-
Expense Recognized	4,58,140	7,49,228

PARTICULARS	As at 31/03/2019	As at 31/03/2018
C. Amount recognized in Other Comprehensive Income for the Current Period		
Amount Recognized in OCI, Beginning of the Period	(1,406,919)	(763,790)
Remeasurements Due To:-	-	-
Actuarial (Gains)/Losses on Obligations - Due to Change in Demographic Assumptions	-	-
Actuarial (Gains)/Losses on Obligations - Due to Change in Financial Assumptions	77,578	(192,342)
Actuarial (Gains)/Losses on Obligations - Due to Experience	(902,719)	(429,280)
Return on Plan Asset (Excluding Interest)	5,028	21,507
Total remeasurements Recognised in OCI	(2,237,088)	(1,406,919)
Amount Recognized in OCI, End of the Period	(2,237,088)	(1,406,919)



NOTES FORMING PART OF FINANCIAL STATEMENTS

CIN - L28121MP1995PLC009170

PARTICULARS	As at 31/03/2019	As at 31/03/2018
D. Table showing Change in the Present Value of Projected Benefit Obligation		
Present Value of Benefit Obligation at the beginning of the period	5,541,412	5,026,421
Interest Cost	395,572	349,850
Current Service Cost	510,061	558,020
Actual Benefits Paid	-	-
Actuarial (Gains)/Losses on Obligations - Due to Change in Demographic Assumptions	-	-
Actuarial (Gains)/Losses on Obligations - Due to Change in Financial Assumptions	77,578	(192,342)
Actuarial (Gains)/Losses on Obligations - Due to Experience	(902,719)	(429,280)
Past Service Cost	-	228,743
Present Value of Benefit Obligation at the end of the period	5,621,904	5,541,412
PARTICULARS	As at 31/03/2019	As at 31/03/2018
E. Table showing Change in the Fair Value of Plan Assets		
Fair Value of Plan Assets at the beginning of the period	5,849,588	5,380,354
Interest Income	447,493	387,385
Actual Enterprises Contribution	67,974	60,342
Actual Benefits Paid	-	-
Actuarial (Gains)/Losses	5,028	21,507
Present Value of Benefit Obligation at the end of the period	6,370,083	5,849,588
PARTICULARS	As at 31/03/2019	As at 31/03/2018
F. Assumptions		
Financial Assumptions		
Discount Rate	7.45%	7.65%
Salary Escalation Rate	7.00%	7.00%
Expected Return on Asset	7.45%	7.65%
Demographic Assumptions		
Withdrawal rate	5.00%	5.00%
Mortality Rate During Employment	Indian Assured Lives Mortality(2006-08)	Indian Assured Lives Mortality(2006-08)
Retirement Age	60 Years	60 Years



NOTES FORMING PART OF FINANCIAL STATEMENTS

CIN - L28121MP1995PLC009170

PARTICULARS	As at 31/03/2019		As at 31/03/2018	
	Decrease	Increase	Decrease	Increase
G. Sensitivity Analysis				
Projected Benefit Obligation on Current Assumptions(Base)	5,621,904		5,541,412	
	Decrease	Increase	Decrease	Increase
Discount Rate	5,825,200	5,431,740	5,755,881	5,341,224
Impact of Increase/Decrease in 50 bps on DBO	3.62%	(3.38)%	3.87%	(3.61)%
Salary Growth rate	5,430,100	58,225,102	5,339,136	5,756,191
Impact of Increase/Decrease in 50 bps on DBO	(3.41)%	3.61%	(3.65)%	3.88%

"Sensitivity analysis is an analysis which will give the movement in liability if the assumptions were not proved to be true on different count. This only signifies the change in the liability if the difference between assumed and the actual is not following the parameters of the sensitivity analysis. When calculating the sensitivity to the assumption, the method (Projected Unit Credit Method) used to calculate the liability recognised in the balance sheet has been applied. The methods and types of assumptions used in preparing the sensitivity analysis did not change compared with the previous period."

H. Maturity Analysis of Projected Benefit Obligation

Projected Benefits Payable in Future Years From the Date of Reporting

PARTICULARS	As at 31/03/2019	As at 31/03/2018
Year 1	834,874	741,068
Year 2	755,214	363,154
Year 3	502,781	733,344
Year 4	450,758	500,241
Year 5	494,844	448,809
Year 6 to 10	2,237,816	2,213,417

26. Payments to Statutory Auditors

	2018-19	2017-18
Statutory Audit	65,000	45,000
Tax Audit Fees	15,000	20,000
Other Services	10,000	10,000
	<u>90,000</u>	<u>75,000</u>

27. Earnings per Share

	2018-19	2017-18
Earnings attributable to the owners of the company	5,645,537	7,807,391
Weighted average number of equity shares	5,165,032	5,438,000
Earnings per share from continuing operations - Basic & Diluted	<u>1.09</u>	<u>1.44</u>

Notes Forming Part of Financial Statement

CIN - L28121MP1995PLC009170

28. The movement in deferred tax assets and liabilities for the year ended 31st March 2018 and 31st March 2019

PARTICULARS	Year ended 31st March, 2019				Year ended 31st March, 2018			
	As at 1st April, 2018	Credit/ (charge) in Statement of Profit and Loss	Credit/ (charge) in Other Comprehensive Income	As at 31st March, 2019	As at 1st April, 2017	Credit/ (charge) in Statement of Profit and Loss	Credit/ (charge) in Other Comprehensive Income	As at 31st March, 2018
Provision for Employee Benefits	(362,281)	-	(215,844)	(578,125)	(196,676)	-	(165,606)	(362,281)
Depreciation		(1,780,618)		(1,780,618)				
Expenses Allowable for Tax Purpose when paid		119,116		119,116				
Total	(362,281)	(1,661,502)	(215,844)	(2,239,627)	(196,676)	-	(165,606)	(362,281)

Reconciliation of Effective Tax Rate

The reconciliation between the statutory income tax rate applicable to the company and the effective tax rate of the company is as follows:

	Year ended 31st March, 2019	Year ended 31st March, 2018
Statutory income tax rate	26.0%	25.8%
Difference due to:		
Expenses not deductible for tax purposes	1.6%	7.3%
Expenses deductible for tax purposes	-4.2%	0.1%
Depreciation	0.1%	0.3%
Unabsorbed depreciation set off	-12.5%	-33.4%
First time creation of deferred tax	20.2%	0.0%
Effective Tax Rate	31.3%	0.0%

29. Financial Instruments - Accounting Classification and fair values

31st March 2019	Carrying Amount				Fair Value			
	FVTPL	FVTOCI	Cost/ Amortised Cost	Total	Level 1	Level 2	Level 3	Total
Financial Assets:								
Other Financial Assets:								
(i) Security Deposits with Government Authorities Non-Current	-	-	431,254	431,254	-	-	-	-
(ii) Security Deposits with Others Non-Current	-	-	326,900	326,900	-	-	-	-
(iii) Trade Receivables Current	-	-	37,087,688	37,087,688	-	-	-	-
(iv) Cash & Cash Equivalents Current	-	-	9,053,642	9,053,642	-	-	-	-
Total	-	-	46,899,484	46,899,484	-	-	-	-

Notes Forming Part of Financial Statement

CIN - L28121MP1995PLC009170

	Carrying Amount				Fair Value			
	FVTPL	FVTOCI	Cost/ Amortised Cost	Total	Level 1	Level 2	Level 3	Total
31st March 2019								
Financial Liabilities:								
Borrowings	-	-	47,529,076	47,529,076	-	-	-	-
Trade Payables	-	-	15,574,276	15,574,276	-	-	-	-
Other Financial Liabilities	-	-	4,501,985	4,501,985	-	-	-	-
Total	-	-	67,605,336	67,605,336	-	-	-	-
31st March 2018								
Financial Assets:								
Other Financial Assets:								
(i) Security Deposits with Government Authorities	-	-	460,872	460,872	-	-	-	-
(ii) Security Deposits with Others	-	-	136,400	136,400	-	-	-	-
Trade Receivables	-	-	47,874,718	47,874,718	-	-	-	-
Cash & Cash Equivalents	-	-	1,686,175	1,686,175	-	-	-	-
Total	-	-	50,158,165	50,158,165	-	-	-	-
31st March 2018								
Financial Liabilities:								
Borrowings	-	-	38,951,239	38,951,239	-	-	-	-
Trade Payables	-	-	36,764,908	36,764,908	-	-	-	-
Other Financial Liabilities	-	-	2,780,103	2,780,103	-	-	-	-
Total	-	-	78,496,249.69	78,496,249.69	-	-	-	-



NOTES FORMING PART OF FINANCIAL STATEMENTS

CIN - L28121MP1995PLC009170

30. Financial Risk Management

a) Market risk

Market risk is the risk that changes in market prices such as commodity prices risk, foreign exchanges rates and interest rates which will affect the company's financial position. Market risk is attributable to all market risk sensitive financial instruments including foreign currency receivables and payables.

The company is in the business of production, manufacturing and dealing in kitchen appliances and kitchenware which is one such sector within the overall household segment that has been in the limelight in recent past.

The company is in the process of making and implementing the strategies to capitalize available opportunities and minimizing the threats to ladder products across capacities, formats and prices. In addition to broad basing the product by customizing the model structure wity added features the company will put its every effort to maximize the internal accruals by way of input tax credit available in the GST law and by optimizing the product common costs so as to enable it to sustain profitability in the market.

Changing household and commercial lifestyles, economical availability of electricity, rising concerns regarding eco-friendly appliances are expected to be the key drivers of the kitchen appliances market size. Development of e-commerce distribution channels, emergence of information technology and the other smart technologies will support the overall kitchen appliances market.

Interest rate risk

"Interest rate risk is the risk that the fair value of future cash flows of the financial instruments will fluctuate because of changes in market interest rates. According to the company interest rate risk exposure is only for floating rate borrowings. For floating rate liabilities, the analysis is prepared assuming the amount of the liability outstanding at the end of the reporting period was outstanding for the whole year. A 50 basis point increase or decrease is used that represents management's assessment of the reasonably possible change in interest rates."

Exposure to interest rate risk

Company's interest rate risk arises from borrowings. The interest rate is based on MCLR linked rates for its working capital loan.

	31st March, 2019	31st March, 2018
Total Borrowings	49,484,003	38,951,239
Borrowings out of above bearing variable rate of interest	17,536,039	9,333,202
% of Borrowings out of above bearing variable rate of interest	35.44%	23.96%

Interest Rate Sensitivity

A change of 50 bps in interest rates would have following Impact on profit before tax :

	2018-19	2017-18
50 bps increase would decrease the profit before tax by	87,680	46,666
50 bps decrease would increase the profit before tax by	(87,680)	(46,666)

Other price risk

Other price risk is the risk that the fair value of a financial instrument will fluctuate due to changes in market traded price. The Company is not exposed to pricing risk as the Company does not have any investments in equity instruments and bonds.



NOTES FORMING PART OF FINANCIAL STATEMENTS

CIN - L28121MP1995PLC009170

b) Credit risk

Credit risk arises from the possibility that the counter party may not be able to settle their obligations as agreed. To manage this, the Company periodically assess financial reliability of customer, taking into account the financial condition, and ageing of accounts receivable.

Ageing of Trade Receivables

Particulars	31st March 2019	31st March 2018
Not due	-	-
0-3 months	26,027,232	25,363,823
3-6 months	9,738,469	20,043,205
6-12 months	237,180	2,219,542
beyond 12 months	1,084,807	248,148
Total	37,087,688	47,874,718

c) Liquidity Risk

As no future expansion in the near future is expected company does not accrues contingent liabilities. The company's approach to managing liquidity is to ensure as far as possible that it will have sufficient liquidity to meet its liabilities as when they are due, under both normal and stressed conditions without incurring the unacceptable losses or risking damage to the company's reputations. As regard the company does not expect poor liquidity position in this scenario. Also the company have the system of properly controlled and speedy recovery from debtors generally.

Maturity patterns of Financial Liabilities

Particulars	31st March 2019	31st March 2018
Borrowings		
Within 1 year	47,529,076	38,951,239
1-3 year	1,954,927	-
3-5 year	-	-
Beyond 5 years	-	-
Total	49,484,003	38,951,239
Trade Payables		
Within 1 year	14,955,295	28,320,558
1-3 year	618,981	8,444,350
3-5 year	-	-
Beyond 5 years	-	-
Total	15,574,276	36,764,908
Other Financial Liabilities		
Within 1 year	4,501,985	2,780,103
1-3 year	-	-
3-5 year	-	-
Beyond 5 years	-	-
Total	4,501,985	2,780,103



NOTES FORMING PART OF FINANCIAL STATEMENTS

CIN - L28121MP1995PLC009170

d) Currency Risk

Since the company has have purchases from China which have foreign currency involvement and flexibility attached to it, however the same is not a threat, due to increasing demand and reputed products of the company coupled with speedy recovery from debtors. The company is well set to bear the short term losses on foreign rate fluctuation which is cushioned by the optimum inventory level mentioned by the company.

31. Capital Management

The Company manages its capital to ensure that it will be able to continue as going concerns while maximising the return to stakeholders through the optimisation of the equity balance. The Company's management manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants.

32. Contingent Liabilities and Commitments

Estimated amount of contracts remaining to be executed on capital account and not provided for Rs. Nil. (Previous Year Rs. Nil).

33. In the opinion of the management and to the best of their knowledge and belief the value of realization of current assets, loans and advances in the ordinary course of business will not be less than the amount at which they are stated in the balance sheet.

34. As per Ind AS 108 Operating Segments, there is no reportable segments and therefore no disclosures are made.

35. Additional Information pursuant to provisions of paragraph 5 (VIII) of part II of schedule III to the companies as certified by the Directors:

a) Details of Imported and Indigenous Raw Material, Stores & Spares Consumed:

	Current Year		Previous Year	
		%		%
Imported	102,229,273	60.10%	99,280,751	61.66%
Indigenous	67,863,637	39.90%	61,735,416	38.34%
	170,092,910	100.00%	161,016,167	100.00%

	Current Year	Previous Year
b) Value of Imports calculated on CIF basis		
Raw Material/Components	72,205,284	73,796,939
c) Expenditure in foreign currency		
Foreign Travelling	-	-
d) Earning in foreign exchange	-	-

36. The Balances in the accounts of debtors, creditors, loans, advances and others are subject to confirmation and reconciliation. But no confirmation is called in last three year by the company.

37. The previous year figures have been regrouped / reclassified, wherever necessary to confirm to the current year figures.

For and on behalf of the Board

As per our report of even date
For SNEHA SARDA & CO.
Chartered Accountants
Firm Reg. No. 014579C

(Sanjay Gorani)
Managing Director
DIN :- 00055531

(Anil Gorani)
Whole Time Director
DIN : 00055540

(Nakul Gorani)
Whole Time Director
DIN : 06543317

(Neerja Mandiya)
(Company Secretary)

(C.S. Sharma)
C.F.O.

CA. Sneha Mantri
Proprietor
M.No. 512148

Place : Indore

Date : 28.05.2019



ATTENDANCE SLIP ATTENDANCE SL

Form No. MGT-11

Proxy form

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

CIN: L28121MP1995PLC009170

Name of the company: Gorani Industries Limited

Registered office: 32-33, Sector-F, Sanwer Road, Indore (M.P.)-452015

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

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

- | | | |
|----------------------------------|----------------------------------|----------------------------------|
| 1. Name: | 2. Name: | 3. Name: |
| Address: | Address: | Address: |
| E-mail Id: | E-mail Id: | E-mail Id: |
| Signature:, or failing him | Signature:, or failing him | Signature:, or failing him |

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the Twenty Fourth Annual General Meeting/ Extraordinary general meeting of the Company, to be held on the 27th day of September, 2019 At 12.00. P.M. at Plot No.32-33, Sector 'F' Sanwer Road, Industrial Area, Indore (M.P.) and at any adjournment thereof in respect of such resolutions as are indicated below:

RESOLUTIONS	
1.	Consider and adopt Audited Financial Statement, report of the Board of Directors and Auditors thereon for the Financial Year ended 31st March, 2019.
2.	Appointment of Mr. Anil Gorani (Holding DIN: 00055540), Wholetime Director, who retires by rotation and being eligible, offers himself for reappointment.
3.	Appointment of Mr. Vikram Rajkumar Khandelwal (Holding DIN: 00040202) as an Independent Director.
4.	Appointment of Ms. Raina Goyal (Holding DIN: 08295368) as a Non-executive Director.
5.	Re-appointment of Mr. Sanjay Gorani (Holding DIN- 00055531) as Managing Director of the Company.
6.	Re-appointment of Mr. Nakul Gorani (Holding DIN- 06543317) as the Whole time Director of the Company.

Signed this day of 20.....

Signature of shareholder

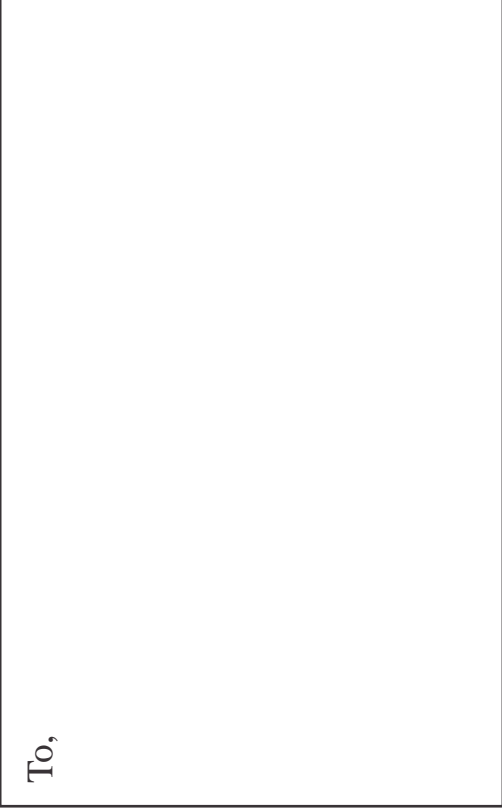
Signature of Proxy holder(s)

Affix a Re. 1 Revenue Stamp

- Note: 1. This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.
2. The holder may vote either for or against each resolution.

BOOK - POST

To,



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Gorani Industries Ltd.
Reg. Office : Plot No. 32-33, Sector-F,
Sanwer Road, Industrial Area, INDORE - 452 015 (M.P.)