

Vintron

Vintron Informatics Limited



27th Annual Report 2017-2018

BOARD OF DIRECTORS

Shri Raj Kumar Gupta, Chairman & Whole Time Director

Shri Arvind Sharma, Managing Director

Shri Varun Gupta, Whole Time Director & CEO

Shri Jagdish Singh Dalal, Independent Director

Shri Satish Chand, Independent Director

Ms. Neelam Anand Saxena, Independent Director

COMPANY SECRETARY

Ms. Kajal Gupta

CHIEF FINANCIAL OFFICER

Shri Dinesh Kumar Gupta

STATUTORY AUDITORS

M/s. APAS & Co.

8/14, Kalkaji Extension, New Delhi - 110019

INTERNAL AUDITORS

M/s. S. Agarwal & Co.

123, Vinoba puri, Iajpat Nagar-II

New Delhi - 110024

SECRETARIAL AUDITORS

M/s. Mahesh Gupta & Co.

Chamber No. 110, Wadhwa Complex,

D-288-289/10, Laxmi Nagar, Delhi - 110092

SHARE TRANSFER AGENT

M/s. Skyline Financial Services Pvt. Ltd.

D-153/A, First Floor

Okhla Industrial Area, Phase-I

New Delhi - 110020

BANKERS

HDFC Bank Limited

Plot No. 4, Capital Trust House-II

Maa Anandmayi Marg,

Okhla Indl. Area Phase-II

New Delhi - 110020

Registered Office & Works :

F-90/1A, Okhal Industrial Area,

Phase-I, New Delhi - 110020

CIN: L72100DL1991PLC045276

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NOTICE

NOTICE IS HEREBY GIVEN THAT THE TWENTY SEVENTH (27TH) ANNUAL GENERAL MEETING OF THE MEMBERS OF VINTRON INFORMATICS LIMITED SHALL BE HELD ON TUESDAY, THE 25TH DAY OF SEPTEMBER 2018 AT 10.30 A.M. AT F-90/1A, OKHLA INDUSTRIAL AREA, PHASE-I, NEW DELHI-110020 TO TRANSACT THE FOLLOWING BUSINESS:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statements, which includes balance sheet as at 31st day of March, 2018, profit & loss account and cash flow statement of the Company for the year ended on that date together with the Auditors' Report thereon and the Directors' Report annexed thereto.
2. To appoint a Director in place of Shri Raj Kumar Gupta (DIN: 00019125), who retires by rotation and being eligible, offers himself for re-appointment.

SPECIAL BUSINESS:

3. To consider and if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution**:
"RESOLVED THAT pursuant to the provisions of Section 14 and all other applicable provisions of the Companies Act, 2013 read with the Companies (Incorporation) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), the modification to the Articles of Association of the Company, a Copy of which is available for inspection at the registered office and also available on the website of the Company at www.vintroninformatics.com (Weblink: <http://www.vintroninformatics.com/pdf/PROPOSEDAoA.pdf>) be and is hereby approved and adopted in total exclusion, substitution and superseding the existing Articles of Association of the Company."
"RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to above Resolution."

By order of the Board
FOR VINTRON INFORMATICS LIMITED

Sd/-
(RAJ KUMAR GUPTA)

Chairman and Whole Time Director
DIN: 00019125

Place : **New Delhi**
Date : **11th August, 2018**

NOTES:

- 1) **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE VALID INSTRUMENT OF PROXY, IN ORDER TO BE EFFECTIVE MUST BE RECEIVED BY THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF MEETING.**
A person can act as proxy on behalf of not more than fifty members and holding in the aggregate not more than 10% of the total share capital of the Company.
A Member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as a proxy and such person shall not act as proxy for any other member.
- 2) A Statement pursuant to Section 102(1) of the Companies Act, 2013 setting out the material facts concerning relevant items of business to be transacted is annexed hereto.
- 3) Corporate members are requested to send a duly certified copy of the resolution passed by their board of directors authorizing their representative(s) to attend and vote at the Annual General Meeting.
- 4) Members are requested to note that the equity shares of the Company are compulsorily traded in dematerialized form. Members are therefore advised to immediately de-materialize their shareholding to avoid any inconvenience in future.
- 5) Electronic copy of the Annual Report for 2017-2018 is being sent to all the members whose email IDs are registered with the Company/Depository Participant(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Annual Report for 2017-2018 is being sent in the permitted mode.
- 6) The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company.
- 7) The documents referred to in the Notice are open for inspection at the Registered Office of the Company during office hours on all working days except Saturdays, Sundays and other public Holidays between 2.00 P.M. to 4.00 P.M. up to one day prior to the date of Annual General Meeting.
- 8) The Register of Members and Share Transfer Books of the Company shall remain closed from Wednesday, the 19th day of September, 2018 to Tuesday, the 25th day of September, 2018 (both days inclusive).
- 9) Members are requested to bring their copies of Annual Report to the meeting, as spare copies may not be available.
- 10) Instructions for e-Voting are as follows:
How do I vote electronically using NSDL e-Voting system?
The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:

NOTICE Contd.

Step 1 : Log-in to NSDL e-Voting system at <https://www.evoting.nsdl.com/>

Step 2 : Cast your vote electronically on NSDL e-Voting system.

Details on Step 1 is mentioned below:

How to Log-in to NSDL e-Voting website?

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholders' section.
3. A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

4. Your User ID details are given below :

Manner of holding shares i.e.

Your User ID is:

Demat (NSDL or CDSL) or Physical

8 Character DP ID followed by 8 Digit Client ID

- a) For Members who hold shares in demat account with NSDL.

For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.

- b) For Members who hold shares in demat account with CDSL.

16 Digit Beneficiary ID

For example if your Beneficiary ID is 12***** then your user ID is 12*****

- c) For Members holding shares in Physical Form.

EVEN Number followed by Folio Number registered with the company

For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Your password details are given below:
 - a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
 - b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
 - c) How to retrieve your 'initial password'?
 - (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
 - (ii) If your email ID is not registered, your 'initial password' is communicated to you on your postal address.
6. If you are unable to retrieve or have not received the " Initial password" or have forgotten your password:
 - a) Click on "Forgot User Details/Password?"(If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
 - b) Physical User Reset Password?" (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
 - c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN,your name and your registered address.
7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
8. Now, you will have to click on "Login" button.
9. After you click on the "Login" button, Home page of e-Voting will open.

Details on Step 2 is given below:

How to cast your vote electronically on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see the Home page of e-Voting. Click on e-Voting. Then, click on Active Voting Cycles.
2. After click on Active Voting Cycles, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle is in active status.
3. Select "EVEN" of company for which you wish to cast your vote.
4. Now you are ready for e-Voting as the Voting page opens.

NOTICE Contd.

5. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
6. Upon confirmation, the message "Vote cast successfully" will be displayed.
7. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
8. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/ JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to mkg1999@gmail.com with a copy marked to evoting@nsdl.co.in.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800-222-990 or send a request at evoting@nsdl.co.in

RESUME OF DIRECTOR BEING RE-APPOINTED

(Pursuant to Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

Shri Raj Kumar Gupta is a Mechanical Engineer from the Birla Institute of Technology and Sciences (BITS), Pilani, and since 1977 he has been into the Electronics & Computer Industry, and gained wide experience in Electronics Industry. Shri Raj Kumar Gupta is one of the main Promoter/Director of the Company.

He is also a director in the Board / member in the Committees of the following unlisted companies:

S. No.	Names of the Companies / Bodies Corporate / Firms / Association of Individuals	Nature of Interest or Concern / Change in Interest or Concern
1.	Vintron Electronics Private Limited	Director
2.	Aus-Mit Pure Water Private Limited	Director

EXPLANATORY STATEMENT:

In conformity with the provisions of Section 102 of the Companies Act, 2013, the following Explanatory Statement sets out all material facts relating to the Special Business mentioned in the Notice and should be taken as forming part thereof.

Item No. 3

The Existing Articles of Association ("AOA") of the Company are based on Companies Act, 1956. In order to bring the existing AOA of the Company in line with the provisions of the Companies Act, 2013 (the "Act"), the Company will have to make numerous changes in the existing AOA. It is therefore considered desirable to adopt a Comprehensive new set of Articles of Association of the Company ("New Articles"), in substitution of and to the exclusion of existing AOA.

Pursuant to the provision of section 14 of the Act, approval of the shareholders of the company by way of special resolution is required for the adoption of the New Articles to replace existing AOA and accordingly, the approval of the shareholders is being sought for the adoption of the New Articles.

A Copy of the proposed New Articles to be adopted are available for inspection by the members at the Registered Office of the Company during office hours on all working days except Saturdays, Sundays and other Public holidays between 2.00 PM to 4.00 PM upto one day prior to the date of Annual General Meeting, and is also available on the website of the Company at www.vintroninformatics.com (Weblink: <http://www.vintroninformatics.com/pdf/PROPOSEDAoA.pdf>)

None of the Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise in the resolution set out at item No.3 of the Notice except to the extent of their shareholding in the Company.

The Board recommends the resolution set forth in Item No.3 for the approval of the members.

By order of the Board
FOR VINTRON INFORMATICS LIMITED

Sd/-

(RAJ KUMAR GUPTA)

Chairman and Whole Time Director

DIN: 00019125

Place : New Delhi

Date : 11th August, 2018

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DIRECTORS' REPORT

To
The Members,

Your Directors have pleasure in presenting the Twenty Seventh (27th) Annual Report together with Audited Financial Statements which includes Balance Sheet, Profit & Loss Account and Cash Flow Statement of the Company for the year ended on 31st March, 2018.

BUSINESS AFFAIRS & PHILOSOPHY

Your Company and its management has always been cautious of its brand and corporate image apart from its corporate social responsibility. Even within the limitation of having limited resources and infrastructure available at its disposal, the management of the Company has worked out product basket considering the strength of the Company and market acceptability and is consistently improving upon the same, so as to ensure that the products of the Company command its respect and demand in the market in terms of quality, service, acceptability, competitiveness etc. apart from giving maximum return on investment thereby multiplying the investors fund. The Company has been consistently making its efforts to re-establish its brand and product in the market. With emphasis on quality, competitiveness and service, the Company and its management is confident to itself on the rapid growth path very shortly. The Company has always endeavoured to provide innovative products with quality and the said approach of the management of your Company stands more strengthened by every passing moment.

Your Company's performance during the year as compared to the last year is as under:

FINANCIAL RESULTS AND PERFORMANCE

We give below the financial highlights for the year under review: -

	(RS. IN LACS)	
PARTICULARS	Current Year	Previous Year
Turnover & Other Income/Income from Operations (including Job work)	2,492.94	2,306.12
Profit/(Loss) before Depreciation, Interest/Financial Charges and Tax	(273.88)	(757.44)
Depreciation	90.33	80.25
Interest and Financial Charges	111.98	83.57
Profit/(Loss) before Extra-ordinary Items	(476.19)	(921.26)
Extra Ordinary Items Written Off	0.00	0.00
Profit/(Loss) after Extra-ordinary Items, but before Income Tax	(476.19)	(921.26)
Income Tax Adjustments	(1.80)	0.00
Profit/(Loss) after Tax	(477.99)	(921.26)
Surplus brought forward	(4,887.36)	(3,966.10)
Balance in Profit & Loss A/c	(5,365.35)	(4,887.36)

Despite of all the constraints including non-adequate working capital and inability of the Company in raising fresh funds because of the recent rehabilitation from sickness of the Company in the recent past, the Company and its Directors have made all attempts and efforts to optimally utilize all the resources available at their disposal, however, due to limitation and constraints upon the available working capital coupled with the unfavourable market condition, the financial result of the Company for year under consideration has been negative. Although, the revenue of the Company has increased by 8.10% whereas the operational result has decreased substantially as compared to the last year with the same resources thereby incurring a net loss of Rs. 4.78 Crores, resulting thereby, the accumulated losses of the Company has exceeded the entire networth of the Company during the past few years.

Your management is confident that during the current year, the working capital fund requirement of the Company shall be slowly met by arranging fresh funds for which the Directors of the Company are making all their efforts and with the strength of its products, quality, marketing and other infrastructure facilities, the Company is confident that it will once again make a sizeable market and profitability in its operations. With this commitment to the investors, work force and society at large, the management reassures you that your directors are putting all their efforts to arrange the working capital, which may take some time in view of the past history of the Company. But, they are confident about the potential of the Company and express their gratitude for the confidence reposed by the investors and all other stake holders.

TRANSFER TO RESERVES

No amount has been transferred to general reserves during the year under review.

DIVIDEND

Considering the results of the Company and in view of the accumulated losses together with the huge requirement of working capital, the Board has not recommended dividend on shares.

DIRECTORS' REPORT Contd.

HUMAN RESOURCES AND INDUSTRIAL RELATIONS

The Company continues to have excellent employee relations. Your Directors acknowledge and thank the employees for their continuous support. The Company has strong commitments to follow the best of the HR practices and believes in up-lifting the overall competence of its employees through regular training, workshops and seminars. The total number of employees and workforce at the end of the year was 160 as against 161 employees including permanent and irregular work force at the end of the previous year.

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

Information in respect of conservation of energy, technology absorption, and foreign exchange earnings and outgo stipulated under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014 is annexed herewith as Annexure-1

FIXED DEPOSITS

The Company has neither invited nor accepted any deposits from public within the meaning of the Companies (Acceptance of Deposit) Rules, 2014, during the last financial year.

SUBSIDIARY COMPANY

The Company does not have any subsidiary.

CHANGES IN THE COMPOSITION OF BOARD

There is no change in composition of the Board during the year under review except the appointment of Ms. Neelam Anand Saxena and resignation of Ms. Tripti Pande Desai. And also Shri Jagdish Singh Dalal, an Independent Director has resigned from the Board with effect from 30-05-2018 due to his pre-occupational commitments.

DIRECTORS

In accordance with the provisions of the Companies Act, 2013 and the Company's Articles of Association, Shri Raj Kumar Gupta, Director of the Company is retiring by rotation at the forthcoming Annual General Meeting and being eligible, offer himself for re-appointment. The Board recommends his re-appointment. Consequent upon re-appointment he will continue to be the Whole Time Director of the Company for the remaining period of his appointment.

Brief resume of the above Director proposed to be appointed / re-appointed, nature of his expertise in specific functional areas, as stipulated under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 with the Stock Exchanges, are given in the notes to the Notice convening the Annual General Meeting.

EVALUATION OF THE BOARD'S PERFORMANCE

In compliance with the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the performance evaluation of the Board was carried out during the year under review. The Board adopted a formal mechanism for evaluating its performance and as well as that of its Committees and individual Directors, including the Chairman of the Board based on the criteria laid down by Nomination and Remuneration Committee which includes attendance, contribution at the meetings and otherwise, independent judgement, safeguarding of minority shareholders interest, adherence to Code of Conduct and business ethics, monitoring of regulatory compliance, risk management and review of internal control system etc.

DECLARATION UNDER SECTION 149 (7) OF THE COMPANIES ACT, 2013

The Board hereby declares that Shri Satish Chand and Mrs. Neelam Anand Saxena are the Independent Directors on the Board of Directors of the Company and they, in the opinion of the Board, are the persons of the integrity and possess relevant expertise and experience. They are neither promoter of the Company nor its holding, subsidiary or associate Company. It is further declared that they are not related to any promoter or Director in the Company, its holding, subsidiary or associate Company.

The aforesaid independent Directors neither directly nor through any of their relatives, has any pecuniary relationship with the Company, its holding, subsidiary or associate Company or their promoters or directors during two immediately financial years or during the current financial year.

All the Independent Directors have given Declarations that they meet the criteria of Independence as laid down under section 149(6) of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

DIRECTORS RESPONSIBILITY STATEMENT UNDER SECTION 134 OF THE COMPANIES ACT, 2015

On the basis of the discussions with the Statutory Auditors / Internal Auditors of the Company from time to time, and as required under Section 134(3)(c) of the Companies Act, 2013, your Directors state that:

- (a) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (b) the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and loss of the Company for that period;

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DIRECTORS' REPORT Contd.

- (c) the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (d) the directors had prepared the annual accounts on a going concern basis; and
- (e) the directors, had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively.
- (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.

STATUTORY AUDITORS

The Company has received their written consent and a certificate that they satisfy the criteria provided under Section 141 of the Act and that the appointment, if made, shall be in accordance with the applicable provisions of the Act and rules framed thereunder. There has been no qualification, reservation or adverse remark or disclaimer in their Report.

The Report of the Auditors on the financial statements including relevant notes on the accounts for the financial year ended 31st March, 2018 are self-explanatory and therefore do not call for any further comments.

SECRETARIAL AUDIT

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, Secretarial Audit has been carried out by M/s. Mahesh Gupta & Company, Practicing Company Secretary, and his report is annexed as Annexure-2.

INTERNAL AUDITORS

The Board of Directors of your Company has re-appointed M/s. S. Agarwal & Company, Chartered Accountants, New Delhi (Firm Registration No.000808N) as Internal Auditors pursuant to the provisions of Section 138 of the Companies Act, 2013 for the financial year 2018-2019.

STATUTORY AUDITORS' REPORT

The Independent Statutory Auditors' Report to the members together with Accounts for the year ended on 31st March 2018 and Notes thereon is attached, which are self-explanatory.

SECRETARIAL AUDITOR'S REPORT

Pursuant to the provisions of the Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company appointed Mr. Mahesh Kumar Gupta, Proprietor of M/s. Mahesh Gupta & Company, Practicing Company Secretary in whole time practice to undertake the secretarial audit of the Company for the financial year ended on 31st March 2018. The report of secretarial auditor is annexed herewith have observed the following qualifications:

1. As per Sub-regulation 1 of regulation 6 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 Company shall appoint a qualified Company Secretary as the compliance officer but Company has appointed Mr. U. S. Lakhera as the compliance officer of the Company instead of Ms. Kajal Gupta, Company Secretary.

DIRECTORS VIEW ON AUDITORS OBSERVATIONS

There is no adverse observation in the Statutory Auditors' Report which needs any comments on the part of the Directors. The queries raised by the Statutory Auditors have been explained to the satisfaction of the Statutory Auditors. The Statutory Auditors' Report is self explanatory.

In accordance with Section 134(3)(f) of the Companies Act, 2013, response to the abovementioned observations in the Secretarial Audit Report are as under:

- 1) Mr. U. S. Lakhera, Manager-Secretarial/Administration of the Company has been associated with the secretarial functions of the Company since 1993 and is well versed with the secretarial records, stake holders and other compliance related activities including public relation with the shareholders. However the Company has appointed qualified Company Secretary, Ms. Kajal Gupta as a Compliance Officer of the Company w.e.f. 26-07-2018.

PARTICULARS OF EMPLOYEES

Information in accordance with the provisions of 134 and 197(12) of the Companies Act, 2013, read with Rule 5(1) the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, regarding employees is given in Annexure-3. Further that Rule 5(2) and 5(3) are not applicable to the Company.

CORPORATE SOCIAL RESPONSIBILITY

With the enactment of Section 135 of the Companies Act, 2013 and the Companies (Corporate Social Responsibility) Rules, 2014 read with the various clarifications issued by the Ministry of Corporate Affairs. As per the Financial Statements attached hereto, the contents of Section 135 are not applicable to the Company.

DIRECTORS' REPORT Contd.

VIGIL MECHANISM & WHISTLE BLOWER POLICY

The Company has a vigil mechanism for Directors and Employees to report their concerns about unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct. The mechanism provides for adequate safeguards against victimization of Directors and Employees who avail the mechanism. In exceptional cases, Directors and Employees have direct access to the Chairman of the Audit Committee of the Board. The whistle blower policy is available at the Company's website http://vintroninformatics.com/wp-content/uploads/2016/09/Whistle-Blower-Policy_Final.pdf

NOMINATION AND REMUNERATION POLICY

The Company follows a policy on nomination and remuneration of Directors and Senior Management Employees. The policy is approved by the Nomination and Remuneration Committee of the Board. More details in this respect are prescribed in the Corporate Governance Report.

CORPORATE GOVERNANCE

A separate report of the Board of Directors of the Company on Corporate Governance is included in the Annual Report as Annexure-4 and the certificate from M/s. APAS & Co., Statutory Auditors of the Company confirming compliance with the requirements of Corporate Governance as stipulated in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is attached as annexure-5.

LOANS & INVESTMENT BY THE COMPANY

The Board declares that it has neither made any loan or investment to any person or other body corporate(s) nor given any guarantee or security in connection with a loan to any other body corporate(s) or person(s). It is further declare that the Company has not acquired, whether by way of subscription, purchase or otherwise, the securities of any other Body Corporate(s).

RELATED PARTY TRANSACTIONS

The Board declares that it has not entered into any contract, transactions or arrangement with any related party with respect to any sale, purchase or supply of any goods, material, property, services, appointment of agent(s), underwriting the subscription of any securities or derivatives of any Company or for appointment to any office or place of profit in the Company, its subsidiary or associate Company. The policy in respect of Related Party Transactions is disseminated on the Company's website http://vintroninformatics.com/wp-content/uploads/2016/09/RELATED-PARTY-TRANSACTIONS-POLICY_FINAL.pdf

AUDIT COMMITTEE

During the year all the recommendations of the Audit Committee were accepted by the Board. The Composition of the Audit Committee is as described in the Corporate Governance Report.

EXTRACT OF ANNUAL RETURN

The details forming part of the extract of the Annual Return in Form_MGT-9 is annexed herewith as Annexure-6.

MEETINGS

During the year seven (7) Board Meetings and seven (7) Audit Committee Meetings were convened and held. The details of which are given in Corporate Governance Report.

MATERIAL CHANGES AFFECTING FINANCIAL POSITIONS OF THE COMPANY

No material changes have occurred and commitments made, affecting the financial position of the Company, between the end of the financial year of the Company and the date of this report.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS

There is no order passed by any regulator or Court or Tribunal against the Company, impacting the going concern concept or future operations of the Company.

LISTING FEES

The Equity Shares of the Company continue to be listed at the Stock Exchange(s) of Bombay and Calcutta, and as on the date of signing of this report, the listing fees for Calcutta Stock Exchange is yet to be paid for the current financial year i.e. 2018-2019. Further that in terms of the Revival Scheme of the Company as sanctioned by the Hon'ble BIFR vide its order dated 02.06.2009, it was directed to the Delhi Stock Exchange (DSE) to de-list the equity capital of the Company from DSE and the necessary intimation has been made to DSE.

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

Internal Complaints Committee (ICC) has been set up to redress complaints received regarding sexual harassment of women employee(s). There were no complaint received from any employee during the financial year 2017-2018 and hence no complaint is outstanding as on 31.03.2018 for redressal.

DIRECTORS' REPORT Contd.

MANAGEMENT DISCUSSION & ANALYSIS

OUTLOOK

The Company has reviewed its product basket and in consistency with the market demand and business prospect, it has been concentrating on security related products. In view of the financial constraints, the Company has been doing trading as well as manufacturing activities in security related products and services. Your Company, during limited period and under limited resources, has been able to create and capture a sizeable portion of security industry by trading and manufacturing digital video recorders, CCTV Cameras, and other products including accessories thereof. With the growth of crime and awareness in the society, the size of consumer is phenomenally increasing by every passing day in security related products and even the middle class of the Country has become a substantial portion of consumers of this industry. With the increase of spending power and corresponding individual threats, the demand in security related products are multiplying by every passing day as is even evident from the demand of the products of your Company. With the current trend, your Company, with its quality and services, is confident to become a market leader in northern India within a very short span of time and the management is confident to achieving the same at its earliest.

OUTLOOK ON THREATS, RISKS AND CONCERNS

The Company has an integrated approach to managing the risks inherent in various aspects of its business. As a part of this approach, the Board of Directors is responsible for monitoring risk levels on various parameters, and the Board of Directors supported by professionals in various fields is responsible for ensuring implementation of mitigation measures, if required. The Audit Committee provides the overall direction on the risk management policies.

The over all economic environment will have a strong bearing on how things shape in the coming years. Falling prices of the electronic products due to increasing competitiveness with the introduction of multiple variants in each product are potential risks. The over all Industrial and Business sentiment has been low during the last financial year. Your Company therefore has planned to introduce high quality technically advanced gadgets in the Company's product basket once it meets the working capital requirement to start its operations in full capacity, which will expedite its revival scheme. The Company has already ventured into manufacturing and dealing of high quality CCTV cameras and Digital Video Recorders (DVR) meant for CCTV Cameras. Your Company, however, is confident that with further improvement in quality, competitively priced products and their utility, it will be able to expand its market share.

SEGMENT WISE PERFORMANCE

The Company has been operating in the electronic industry and dealing and manufacturing only electronic products including Security & Surveillance related electronic equipments. The Company's products are mainly electronic and therefore there is a single segment of operation. In view of the same, segment wise reporting is not required.

INTERNAL CONTROL SYSTEMS AND ADEQUACY

The Internal Control Systems of the Company are designed to provide adequate assurance on the efficiency of the operation and security of its assets, and the Company is committed to high standards in this regard. The accounting records are adequate for preparation of financial statements and other financial information. The adequacy and effectiveness of the Internal Control as well as compliance with laid down systems and policies are comprehensively monitored by your Company's Internal Auditors. The Audit Committee of the Board, which meets regularly, actively reviews Internal Control Systems as well as financial disclosures.

ACKNOWLEDGMENTS

The Board appreciates the efforts put in by all employees for their commitment, and dedication to fulfil their corporate duties with diligence and integrity. Your Directors are also pleased to place on record their appreciation for the excellent support received from Dealers, Business Associates and Customers by promoting and patronizing the products of the Company.

By order of the Board
FOR VINTRON INFORMATICS LIMITED

Sd/-
(RAJ KUMAR GUPTA)

Chairman & Whole Time Director
DIN: 00019125

Place : **New Delhi**
Date : **11th August, 2018**

ANNEXURE TO DIRECTORS' REPORT

ANNEXURE-1

INFORMATION AS PER SECTION 134 (3) (m) OF THE COMPANIES ACT, 2013 READ WITH COMPANIES (ACCOUNTS) RULES, 2014 AND FORMING PART OF THE DIRECTORS' REPORT FOR THE YEAR ENDED 31ST MARCH 2018.

A. CONSERVATION OF ENERGY

Your Company is not covered under Industries, which are required to furnish the information in Form-A under Section 134 (3) (m) read with Rule 8(3) of the Companies (Accounts) Rules, 2014. The consumption of energy in the operation of the Company is not significant. However, the Company has taken all steps to optimise the use of energy through improved operational methods.

B. TECHNOLOGY ABSORPTION, RESEARCH & DEVELOPMENT (R & D)

Specific areas in which R & D is carried out by the Company : R & D is carried out for improvement in production process and quality of products.
Benefits derived as a result of the above R & D : The products have found better acceptability in the market.
Future plan of action : The Company is carrying on R & D to enhance the product features and improve their quality.

Expenditure on R & D

- Capital : NIL
- Recurring : NIL
- Total : NIL
- Total R & D expenditure as a percentage of total turnover : NIL

C. TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION

None

D. FOREIGN EXCHANGE EARNINGS AND OUTGO

The foreign exchange earnings of the Company were Rs. NIL as compared to Rs. NIL in the previous year. However, the Company has imported raw material/Stores/finished goods etc. including travelling expenses for amount aggregating to Rs.1,761.47 Lacs as compared to Rs.1,377.50 Lacs during the previous year.

By order of the Board
FOR VINTRON INFORMATICS LIMITED

Sd/-
(RAJ KUMAR GUPTA)

Chairman & Whole Time Director
DIN: 00019125

Place : **New Delhi**
Date : **11th August, 2018**

ANNEXURE-2

FORM NO. MR-3 SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31st MARCH, 2018

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

**To
The Members
VINTRON INFORMATICS LIMITED
(CIN: L72100DL1991PLC045276)
F-90/1A, Okhla Industrial Area
Phase-I, New Delhi-110020**

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **VINTRON INFORMATICS LIMITED** (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, we hereby report that in our opinion, the Company has, during the audit period covering the

ANNEXURE TO DIRECTORS' REPORT Contd.

financial year ended on **31st March, 2018** complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

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

- (i) The Companies Act, 2013 (the Act) and the rules made 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;
- (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 – **Not applicable as the Company did not issue any securities during the financial year under review.**
 - d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 – **Not applicable as the Company has not granted any Options to its employees during the financial year under review.**
 - e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 – **Not Applicable as the Company has not issued any debt securities during the financial year under review.**
 - 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 – **Not Applicable as the Company is not registered as Registrars to an Issue and Share Transfer Agents during the financial year under review.**
 - g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 – **The Company had applied for delisting with Delhi Stock Exchange (DSE) as per BIFR order dated 2nd June, 2009.**
 - h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 – **Not applicable as the Company has not bought back any of its securities during the financial year under review.**
- (vi) The management has identified and informed the following laws as being specifically applicable to the Company:
 1. Factories Act, 1948
 2. Employee's Provident Fund and Miscellaneous Provisions Act, 1952
 3. Payment of Wages Act, 1936
 4. Payment of Gratuity Act, 1972

We 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 Agreements entered into by the Company with BSE Limited and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to the following observations except those mentioned in **Annexure-A**.

- There were instances where Company has not forwarded brief profile of Director/Auditor to stock exchange in case of appointment under regulation 30 SEBI (LODR) Regulations, 2015.
- Due to Leave of one Independent Director, quorum of Audit Committee Meeting was not as per provisions of regulation 18(2) of SEBI (LODR), Regulations, 2015, in Audit Committee Meeting held on 30th May, 2017.
- Corporate Governance report (Regulation 27 (2) of SEBI (LODR) Regulations, 2015) for the quarter ended on 30th September, 2017 and 31st December, 2017; in which composition of committee details where Mrs. Neelam Anand Saxena not mentioned as a member of Nomination and Remuneration Committee.

We further report that

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

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

ANNEXURE TO DIRECTORS' REPORT Contd.

All decisions at Board Meetings and Committee Meetings are carried out unanimously and the views of dissenting members, if any, are captured and recorded as part of the minutes of Board of Directors or committees of the Board, as the case may be.

We further report that based on the compliance mechanism established by the Company and on the basis of the Certificates issued by the Departmental Heads of the Company taken on record by the Board of Directors at their Meeting(s), we are of the opinion that the management has adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period no major action having a bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards etc. above have taken place.

**For Mahesh Gupta and Company
Company Secretaries**

Sd/-

MAHESH KUMAR GUPTA

Proprietor

FCS No.: 2870; C P No.: 1999

Place : **Delhi**

Date : **11th August, 2018**

This report is to be read with our letter of even date which is annexed as '**Annexure –B**' and form an integral part of this report.

ANNEXURE - 2A

1. As per Sub-regulation 1 of regulation 6 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 Company shall appoint a qualified Company Secretary as the compliance officer but Company has appointed Mr. U. S. Lakhera as the compliance officer of the Company instead of Ms. Kajal Gupta, Company Secretary.

ANNEXURE - 2B

To

The Members

VINTRON INFORMATICS LIMITED

(CIN: L72100DL1991PLC045276)

F-90/1A, Okhla Industrial Area

Phase-I, New Delhi-110020

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

- 1) Maintenance of secretarial records 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 verifications were 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) Wherever 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 the management. Our examination was limited to the verification of procedures on test basis.
- 6) The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

**For Mahesh Gupta and Company
Company Secretaries**

Sd/-

MAHESH KUMAR GUPTA

Proprietor

FCS No.: 2870; C P No.: 1999

Place : **Delhi**

Date : **11th August, 2018**

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ANNEXURE TO DIRECTORS' REPORT Contd.

ANNEXURE-3

PARTICULARS OF EMPLOYEES PURSUANT TO THE PROVISIONS OF SECTION 134 AND 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

- i) The ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year:

Name of the Director	Category	Ratio of Median Remuneration
Shri Raj Kumar Gupta	Chairman and Whole Time Director	778.36
Shri Jagdish Singh Dalal	Non-Executive Independent Director	0.00
Shri Satish Chand	Non-Executive Independent Director	0.00
Ms. Tripti Pande Desai	Non-Executive Independent Director	0.00
Ms. Neelam Anand Sexena	Non-Executive Independent Director	27.03
Shri Arvind Sharma	Managing Director	1005.38
Shri Varun Gupta	Whole Time Director and CEO	291.89

- ii) The percentage increase in Remuneration of each Director, Chief Executive Officer, Chief Financial Officer, Company Secretary or Manager, if any, in the financial year:

Name of the Person	Designation	% increase in Remuneration
Shri Raj Kumar Gupta	Chairman & Whole Time Director	0.00
Shri Jagdish Singh Dalal	Non-Executive Independent Director	0.00
Shri Satish Chand	Non-Executive Independent Director	0.00
Ms. Tripti Pande Desai	Non-Executive Independent Director	0.00
Ms. Neelam Anand Sexena	Non-Executive Independent Director	0.00
Shri Arvind Sharma	Managing Director	0.00
Shri Varun Gupta	Whole Time Director and CEO	0.00
Ms. Kajal Gupta	Company Secretary	4.15
Shri Dinesh Kumar Gupta	Chief Financial Officer	1.18

- iii) The percentage increase in the median remuneration of Employees in the financial year: **25.24%**

- iv) The number of permanent employees on the rolls of Company: **167 employees**

- v) The explanation on the relationship between average increase in Remuneration and Company Performance:

On an average, employees received an increase of 25.24%. The increase in remuneration is in line with the market trends. In order to ensure that remuneration reflects Company performance, the performance pay is linked to organizational performance.

- vi) Comparison of the Remuneration of the Key Managerial Personnel against the performance of the Company:

Particulars	Rs. In Lacs
Remuneration of Key Managerial Personnel (KMP) during financial year 2017-2018 (aggregated)	12.88
Revenue from Operations	2,284.20
Remuneration as % of revenue	0.56%
Profit Before Tax (PBT)	-476.19
Remuneration as % of PBT	-2.70%

- vii) Variation in the Market Capitalization of the Company, price earnings ratio as at the closing date of the current

ANNEXURE TO DIRECTORS' REPORT Contd.

financial year and previous financial year and percentage increase over decrease in the market quotations of the shares of the Company in comparison to the rate at which the Company came out with the last public offer in case of listed companies and in case of unlisted companies, the variations in the net worth of the Company as at the close of the current financial year and previous financial year:

Particulars	Unit	As at 31/03/2018	As at 31/03/2017	Variation %
Closing rate of Shares at BSE	Rs.	0.55	1.15	-52.17
Earnings per Share	Rs.	-0.61	-1.17	47.86
Market Capitalization	Rs.	43,095,690.00	90,109,170.00	-52.17
Price Earnings Ratio	Ratio	-0.90	-0.98	-8.16

- viii) Average percentile increase already made in the salaries of employees other than managerial personnel in the last financial year and its comparison with percentile increase in the Managerial Remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the Managerial Remuneration:

The average increase in salaries of employees in 2017-2018 was 25.24%. Percentage increase in the Managerial Remuneration for the year was 1.77%

- ix) Comparison of each Remuneration of the Key Managerial Personnel against the performance of the Company:

Particulars	Chairman-cum-WTD	Managing Director	WTD-cum-CEO	Chief Financial Officer	Company Secretary
Remuneration (Rs. In Lacs)	14.40	18.60	5.40	10.27	2.61
Revenue (Rs. In Lacs)	2,284.20	2,284.20	2,284.20	2,284.20	2,284.20
Remuneration as % of revenue	0.63	0.81	0.24	0.45	0.11
Profit Before Tax (PBT) (Rs. In Lacs)	-476.19	-476.19	-476.19	-476.19	-476.19
Remuneration as % of PBT	-3.02	-3.91	-1.13	-2.16	-0.55

- x) The key parameters for any variable component of Remuneration availed by the Directors:

The Remuneration & Perquisites of Chairman, Managing Director and Whole Time Director were approved by the members.

- xi) The Ratio of the Remuneration of the highest paid Director to that of Employees who are not Directors but receive Remuneration in excess of the highest paid Director during the year: **Not Applicable**

- xii) Affirmation that the Remuneration is as per the Remuneration Policy of the Company:

The Company's Remuneration Policy is driven by the success and performance of the individual employees and the Company. Through its compensation package, the Company endeavors to attract, retain, develop and motivate a high performance staff. The Company follows a compensation mix of fixed pay, benefits and performance base variable pay. Individual performance pay is determined by business performance and the performance of the individuals measured through the annual appraisal process. The Company affirms Remuneration is as per the Remuneration Policy of the Company.

ANNEXURE-4

CORPORATE GOVERNANCE

In terms of the Code of Corporate Governance, as framed by Securities and Exchange Board of India and amended from time to time, the Company has taken various steps and endeavored to implement the requirements of code of Corporate Governance in terms of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Company has further ensured timely and effective implementation of requirements as stipulated from time to time. Given below is a brief report on the practices followed by Vintron Informatics Limited towards achievement of good Corporate Governance.

1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

Vintron Informatics Limited is committed to the concept and philosophy of Corporate Governance as a means of

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ANNEXURE TO DIRECTORS' REPORT Contd.

effective internal control, fair and transparent decision-making process and fullest support of the Board and Management for enhancing customer satisfaction and shareholder's value. The basic mantras of Vintron "Customer satisfaction through Quality and Reliability of our products and services, to be achieved by our will to deliver better by consistently improving our products, systems and procedures" is the guideline to generate long term economic value for its shareholders while respecting the interest of customers and society as a whole, which is practised in your Company in its letter and spirit. The Company respects the inalienable rights of its members to information on the performance of the Company and considers itself a trustee of its members.

2. BOARD OF DIRECTORS - COMPOSITION

The Company maintains an appropriate mix of Executive and Independent Directors to maintain the independence of the Board, and to separate the Board functions of governance and management during the year under review. To ensure independence of the Board, the members of the Audit Committee is composed of suitable and competent Independent Directors. The current Board has three Independent Directors and three Executive Directors. The Company does not pay any compensation to its non-executive Directors. The Chairman of the Board is an Executive Director.

BOARD PROCEDURE, MEETINGS AND ATTENDANCE RECORD OF EACH DIRECTOR

Normally, Board Meetings are scheduled at least 7-15 days in advance. Most of them are held at the Registered Office of the Company situated at F-90/1A, Okhla Industrial Area, Phase-I, New Delhi-110 020, India. Under supervision of the Chairman, drafts of the Agenda for each meeting, along with explanatory notes are prepared and distributed in advance to the Board members. Every Board member is free to suggest the inclusion of items in the agenda. Normally, the Board meets once a quarter to review the quarterly unaudited results and other items in the agenda. The Board also meets on the occasion of the Annual General Meeting of the members of the Company. If necessary, additional meetings are held. Independent Directors are normally expected to attend at least one Board Meeting in a year.

The Board has unfettered and complete access to any information within the Company, and to any employee of the Company. At the Meetings of the Board, it welcomes the presence of managers who can provide additional insights into the items being discussed.

Seven Board meetings were held during the financial year 2017-2018. They were held on 2nd May 2017, 30th May 2017, 8th July 2017, 11th August 2017, 11th September 2017, 11th December 2017 and 10th February 2018 respectively.

The table given below gives details of Directors, Attendance of Directors at Board meetings, last Annual General Meeting, Number of Memberships held by Directors in Committees/other Boards. A declaration from all independent directors has been received that they are not independent in more than 7 listed Companies, and no Director is a member of more than ten Committees or the Chairman of more than five Committees across all Companies in which they are Directors.

Director	Category	No. of Board Meeting attended	Attendance Particulars Last AGM	Number of other Directorships and Committee Member/Chairmanships		
				Outside Director-ship*	Committee Member-ship**	Committee Chairman-ship**
Raj Kumar Gupta	Chairman and WTD	7 of 7	No	2	3	2
Jagdish Singh Dalal #	NEID	7 of 7	Yes	1	3	2
Satish Chand	NEID	6 of 7	Yes	-	2	1
Tripti Pande Desai #	NEID	0 of 2	No	4	4	-
Neelam Anand Saxena \$	NEID	3 of 4	No	1	1	-
Arvind Sharma	Managing Director	7 of 7	Yes	4	3	1
Varun Gupta	WTD and CEO	7 of 7	Yes	1	-	-

Mrs. Tripti Pande Desai has been resigned w.e.f. 30-05-2017 and Shri Jagdish Singh has been resigned from the office of Director with effect from 30-05-2018 respectively.

ANNEXURE TO DIRECTORS' REPORT Contd.

\$ Mrs. Neelam Anand Saxena has been appointed as an Additional Director on 8th July, 2017 and regularized on 26th September 2017.

* Excludes Directors of Companies incorporated outside India, and includes Directorships held in Private Limited Companies by the Directors of the Company.

** This includes Chairmanship/Membership of Audit Committee, Compensation Committee, Stakeholders Relationship Committee, Share Transfer Committee and Nomination and Remuneration Committee, constituted by Vintron Informatics Limited.

Shri Varun Gupta, Whole Time Director-cum-CEO is the son of Shri Raj Kumar Gupta, Chairman-cum-whole Time Director of the Company.

Shri Satish Chand, the Non-Executive Independent Director held 14023 equity shares of the Company.

FAMILIARIZATION PROGRAMME FOR DIRECTORS

The letter of appointment(s) are issued to all Independent Directors setting out in detail, the terms of appointment, duties, responsibilities and expected time commitments. Each newly appointed Director is taken through a formal induction program including the presentation from the Chairman on the Company's manufacturing, marketing, finance and other important aspects. The details of programme for Independent Directors are available at Company's website at <http://vintroninformatics.com/wp-content/uploads/2016/11/DETAIL-OF-FAMILIARIZATION-PROGRAMME-IMPARTED-TO-INDEPENDENT-DIRECTORS.pdf>

SEPARATE MEETINGS OF INDEPENDENT DIRECTORS

One meeting of the Independent Directors was held on 30th March 2018 during the financial year under review.

3. AUDIT COMMITTEE

The Audit Committee of the Board of Directors of the Company was constituted on 3rd day of May 2001 where after it has been re-constituted from time to time with the sufficient number of directors with requisite qualifications.

The Committee comprises of one Executive Director viz. Shri Raj Kumar Gupta, and two Non-executive Independent Directors viz. Shri Satish Chand and Shri Jagdish Singh Dalal. The Chairman of the Committee is Shri Satish Chand who is a Chartered Accountant by profession, and an Independent Director on the Board of the Company.

The terms of reference, role and power of Audit Committee as revised and stipulated by the Board of Directors from time to time are in conformity and in line with the statutory and regulatory requirements as prescribed under Section 177 of the Companies Act, 2013 and as per provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, which includes the following:

Powers of Audit Committee

The Audit Committee shall have powers, which should include the following:

1. To investigate any activity within its terms of reference.
2. To seek information from any employee.
3. To obtain outside legal or other professional advice.
4. To secure attendance of outsiders with relevant expertise, if it considers necessary.

Role of Audit Committee

The role of the Audit Committee includes the following:

1. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
2. Recommendation for appointment, remuneration and terms of appointment of auditors of the Company;
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
4. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
 - a. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013;
 - b. Changes, if any, in accounting policies and practices and reasons for the same;
 - c. Major accounting entries involving estimates based on the exercise of judgment by management;

ANNEXURE TO DIRECTORS' REPORT Contd.

- d. Significant adjustments made in the financial statements arising out of audit findings;
 - e. Compliance with listing and other legal requirements relating to financial statements;
 - f. Disclosure of any related party transactions;
 - g. Qualifications in the draft audit report
5. Reviewing, with the management, the quarterly financial statements before submission to the board for approval;
 6. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
 7. Review and monitor the auditor's independence and performance, and effectiveness of audit process;
 8. Approval or any subsequent modification of transactions of the Company with related parties;
 9. Scrutiny of inter-corporate loans and investments;
 10. Valuation of undertakings or assets of the Company, wherever it is necessary;
 11. Evaluation of internal financial controls and risk management systems;
 12. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
 13. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
 14. Discussion with internal auditors of any significant findings and follow up there on;
 15. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
 16. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
 17. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
 18. To review the functioning of the Whistle Blower mechanism;
 19. Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;
 20. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

In addition thereto the Audit Committee is also assigned with the role to review the following information:

1. Management discussion and analysis of financial condition and results of operations;
2. Statement of significant related party transactions (as defined by the Audit Committee), submitted by the management;
3. Management letters/letters of internal control weaknesses issued by the statutory auditors;
4. Internal audit reports relating to internal control weaknesses; and
5. The appointment, removal and terms of remuneration of the Chief Internal Auditor subject to review by the Audit Committee.

Details of Meetings and Attendance

The Committee met six times during the financial year 2017-2018, on 2nd May 2017, 30th May 2017, 8th July 2017, 11th August 2017, 11th September 2017, 11th December 2017 and 10th February 2018 respectively. The below mentioned table gives the details of attendance of members at the meetings of the Audit Committee held during 2017-2018:

ANNEXURE TO DIRECTORS' REPORT Contd.

Name of the Director	Position	Category	No. of Meetings held	No. of Meetings Attended
Shri Satish Chand	Chairman	Non-Executive Independent Director	7	6
Shri Jagdish Singh Dalal	Member	Non-Executive Independent Director	7	7
Shri Raj Kumar Gupta	Member	Executive Promoter Director	7	7

The Internal Auditors and Statutory Auditors are permanent invitees to the Audit Committee Meetings. Further, representatives from various departments of the Company also attended the meetings as and when desired by the members of the Committee to answer and clarify questions raised at the Audit Committee. The Company Secretary shall act as the secretary to the committee.

4. NOMINATION AND REMUNERATION COMMITTEE

The Board had delegated the authority to approve fixation/revision of remuneration and terms and conditions of appointment of Managing Director / Whole Time Directors / Non-Executive Independent Directors. The Nomination and Remuneration Committee comprises of one executive and three independent Directors, Shri Raj Kumar Gupta being Executive Director, whereas Shri Jagdish Singh Dalal (Chairman of the Committee), Shri Satish Chand and Mrs. Tripti Pande Desai being Non-executive Independent Directors on the Board of the Company. Shri Jagdish Singh Dalal is the Chairman of the Committee. The Company Secretary shall act as the secretary to the committee.

This Committee meets depending on the requirements of the Company, and takes its views on fixation/revision of terms and benefits in respect of Managing Director / Whole Time Directors.

The Nomination and Remuneration Committee met on 08-07-2017 and Shri Jagdish Singh Dalal, Chairman, Shri Raj Kumar Gupta and Shri Satish Chand, members of the Committee were present in the meeting held during the financial year 2017-2018.

PERFORMANCE EVALUATION CRITERIA FOR INDEPENDENT DIRECTORS

The criteria for performance evaluation covered the areas relevant to the functioning as Independent Directors such as preparation, participation, conduct and effectiveness. The performance evaluation of Independent Directors was done by the entire Board of Directors and in the evaluation the Directors who are subject to evaluation had not participated.

5. REMUNERATION TO DIRECTORS

Details of Remuneration paid to Managing / Whole-time Directors for the year ended 31.03.2018 is given below:

Name	Salary (Rs.)	Perquisites & Allowances (Rs.)	Commission (Rs.)	Total (Rs.)	Service Term
Raj Kumar Gupta	1,440,000.00	314,000.00	0.00	1,754,000.00	5 Years
Arvind Sharma	1,860,000.00	0.00	0.00	1,860,000.00	5 Years
Varun Gupta	540,000.00	0.00	0.00	540,000.00	5 Years

A sum of Rs. 50,000/- paid to Mrs. Neelam Anand Saxena towards sitting fees for meetings attended by her.

There are no pecuniary relationship and/or transactions between Non-Executive Independent Directors and the Company's management.

All non- executive Directors on the Board or any committee thereof are ordinary directors and are not paid any fixed remuneration, are paid conveyance expenses for attending the meetings.

6. STAKEHOLDERS RELATIONSHIP COMMITTEE

The Board has constituted the Stakeholders Relationship Committee to take care of the complaints/grievances of the shareholders/members of the Company and redressal thereof. This Committee comprises of one executive and one independent Director namely Shri Raj Kumar Gupta being an Executive Director, and Shri Jagdish Singh Dalal being Non-executive/Independent Directors.

Shri Jagdish Singh Dalal is the Chairman of the Committee and the Company Secretary shall act as the secretary to the committee. Shri U. S. Lakhera, Manager-Secretarial/Administration is designated as Compliance Officer of the

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ANNEXURE TO DIRECTORS' REPORT Contd.

Company since a long period. However, Mrs. Kajal Gupta, Company Secretary, appointed as Compliance Officer w.e.f. 26-07-2018.

This Committee meets from time to time depending on the needs and nature of shareholders/members complaints and grievance, and take appropriate decisions for redressal thereof. As informed by RTA, the Company has not received any complaints during the financial year 2017-2018:

Received from	No. of Complaints	Remarks
SEBI	NIL	-
Stock Exchanges/ROC	NIL	-
NSDL/CDSL	NIL	-
Investors	NIL	-

7. GENERAL BODY MEETING

Date, Venue and Time for the last three Annual General Meetings:

Year	Venue	Date	Time
2015	Arya Auditorium, Desraj Campus, C-Block, East of Kailash, New Delhi-110065	14/09/2015	10.00 a.m.
2016	Arya Auditorium, Desraj Campus, C-Block, East of Kailash, New Delhi-110065	27/09/2016	10.00 a.m.
2017	Arya Auditorium, Desraj Campus, C-Block, East of Kailash, New Delhi-110065	26/09/2017	10.00 a.m.

The following Special Resolutions were passed by the Company at the aforementioned General Meetings:

AGM	Details of Special Resolution
24th Annual General Meeting	<ol style="list-style-type: none"> Approval and authorization to the Board of Directors for sale, lease or dispose off the properties, assets and undertakings Appointment of Shri Arvind Sharma as Managing Director of the Company and remunerations payable to him for a period of five years with effect from 1st June 2015 Appointment of Shri Varun Gupta as Whole Time Director of the Company and remunerations payable to him for a period of five years with effect from 1st June 2015 Re-designation of Shri Raj Kumar Gupta as Whole Time Director and Chairman of the Company for the remaining period of his previous appointment till 30th September 2019
25th Annual General Meeting	- None -
26th Annual General Meeting	- None -

8. MEANS OF COMMUNICATION

Timely disclosure of consistent, relevant and reliable information on financial performance is at the core of good governance. Towards this end, major steps taken are as under:

- The quarterly results of the Company were announced within stipulated 45 days of end of quarter and audited annual results along with results for the fourth quarter were announced within stipulated 60 days of the end of the financial year. The approved financial results of the Company during the financial year 2016-2017 are forthwith sent to all the Stock Exchanges with whom the Company has listing arrangements. Further, the results in the prescribed Proforma along with the detailed press release is published within 48 hours of the conclusion of the meeting of the Board of Directors in leading English and Hindi dailies having wide circulation across the country. Financial results are also displayed on the website of the Company.
- Updated information relating to shareholding pattern, financial results etc. is available on BSE Listing Centre in addition to the Company's website.

ANNEXURE TO DIRECTORS' REPORT Contd.

- The website of the Company contains dedicated section 'Investor Zone' having updated relevant information for shareholders.
- The management discussion & analysis report forms part of the Directors' Report.

9. INVESTOR INFORMATION

a) ANNUAL GENERAL MEETING:

Day & Date	:	Tuesday, 25th day of September, 2018
Time	:	10.30 a.m.
Financial Year	:	2017-2018
Venue	:	F-90/1A, Okhla Industrial Area, Phase-1, New Delhi - 110020
Book Closure	:	Wednesday, the 19th day of September, 2018 to Tuesday, the 25th day of September, 2018 (both days inclusive)
Address for Correspondence of Registrar & Share Transfer Agent	:	M/s. Skyline Financial Services Pvt. Ltd. Registered Office: D-153/A, First Floor, Okhla Industrial Area, Phase-I, New Delhi-110020 Phone: 011-40450193-96; Fax: 91-11-26812683; E-mail: admin@skylinerta.com; website: www.skylinerta.com
Compliance Officer	:	Mrs. Kajal Gupta, Company Secretary
ISIN No.	:	INE043B01028

TENTATIVE FINANCIAL CALENDER

Results for the quarter ending 30.06.2018	:	2nd week of August, 2018
Results for the quarter/half year ending 30.09.2018	:	2nd week of November, 2018
Results for the quarter/nine months ending 31.12.2018	:	2nd week of February, 2019
Results for the quarter/year ending 31.03.2019	:	4th week of May, 2019

b) LISTING ON STOCK EXCHANGES

The Company's Equity Shares are listed on the following Stock Exchange/s:

- The BSE Limited, Floor-25, Phiroze Jeejeebhoy Towers, Dalal Street, Fort, Mumbai - 400 001
- The Calcutta Stock Exchange Ltd., 7 Lyons Range, Calcutta - 700 001
- The Delhi Stock Exchange Limited, DSE House, 3/1 Asaf Ali Road, New Delhi-110002 (De-listing is sought in terms of the sanctioned revival scheme)

c) STOCK CODE

The Stock code for the Company's Equity Shares is as follows:

- The BSE Limited - "517393"
- The Calcutta Stock Exchange Limited - "10032155"
- The Delhi Stock Exchange Limited - "122073"

d) STOCK PRICE DATA *

(Amount in Rs.)

2017-2018 Month	BSE Limited, Mumbai	
	High	Low
April 2017	1.35	1.02
May 2017	1.35	1.10
June 2017	1.05	0.87
July 2017	0.87	0.64
August 2017	0.61	0.42
September 2017	0.40	0.33
October 2017	0.34	0.32

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ANNEXURE TO DIRECTORS' REPORT Contd.

2017-2018	BSE Limited, Mumbai	
Month	High	Low
November 2017	0.36	0.32
December 2017	0.32	0.31
January 2018	0.44	0.31
February 2018	0.61	0.46
March 2018	0.56	0.55

* Based on the figures available at official website of the BSE Limited

e) SHARE TRANSFER SYSTEM

Presently the shares, which are received in physical form, are transferred within a period of 10-12 days from the date of receipt, subject to the documents being valid and complete in all respects.

f) DISTRIBUTION OF SHAREHOLDING AS ON 31ST MARCH 2018

No. of Shares	No. of Shareholders	% of Shareholders	No. of Shares	% of Shares
Upto 5000	11,617	98.45	3,284,332	4.18
5001-10000	91	0.77	687,686	0.88
10001-20000	39	0.33	584,651	0.75
20001-30000	13	0.11	343,691	0.44
30001-40000	8	0.07	271,995	0.35
40001-50000	7	0.06	326,948	0.42
50001-100000	5	0.04	339,493	0.43
100001 onwards	20	0.17	72,517,004	92.55
Total	11,800	100.00	78,355,800	100.00

CATEGORY WISE SHAREHOLDING PATTERN AS ON 31ST MARCH 2018

Category	No. of Shares Held	% of Shares Held
Promoters	781,700	1.00
Persons acting in Concert	57,985,150	74.00
Mutual Funds	0	0.00
Financial Institutions	0	0.00
Foreign Institutional Investors	0	0.00
Banks	0	0.00
Bodies Corporate	6,383,434	8.15
NRIs / OCBs	439,132	0.56
Hindu Undivided Family / Public Trusts	1,120,198	1.43
Clearing Members / House / NBFC	300	0.00
Public	11,645,886	14.86
Total	78,355,800	100.00
Number of Shares in Physical Form	1,176,602	1.50
Number of Shares in Electronic Form	77,179,198	98.50
Total	78,355,800	100.00

g) DEMATERIALIZATION OF SHARES AND LIQUIDITY

Nearly 98.50% of total equity share capital is held in dematerialized form upto 31/03/2018 with NSDL/ CDSL. The shares of the Company are listed on BSE, CSE and DSE, which provide sufficient liquidity to the investors.

h) REGISTERED/CORPORATE OFFICE AND PLANT:

F-90/1A, Okhla Industrial Area, Phase-I, New Delhi-110020

ANNEXURE TO DIRECTORS' REPORT Contd.

i) ADDRESS FOR CORRESPONDENCE

The shareholders may address their communication/grievances/queries/ suggestions to:

Company	Registrar and Share Transfer Agents
VINTRON INFORMATICS LIMITED F-90/1A, Okhla Industrial Area, Phase-I, New Delhi-110020. Phone: 011-43740000; Fax: 011-43740040 E-mail: vil_vintron@hotmail.com Website: www.vintroninformatics.com	SKYLINE FINANCIAL SERVICES PVT. LTD. Registered Office: D-153/A, First Floor, Okhla Industrial Area, Phase-I, New Delhi-110020 Phone: 011-26812682-83, 40450193-97 Fax: 91-11-26812683, E-mail:admin@skylinerta.com website: www.skylinerta.com

The above report has been placed before the Board at its meeting held on 11th day August, 2018 and the same was approved.

10. DISCLOSURES

- a) During the financial year ended on 31st March 2018, there were no materially significant related party transactions that may potential conflict with the interests of the Company at large.
- b) Neither were any penalties imposed, nor were any strictures passed by Stock Exchange or SEBI or any Statutory Authority or any capital market related matters during the last three years.
- c) The Company has announced Whistle Blower Policy. All the personnel of the Company have the access to the Audit Committee.
- d) The Company has not received any proceeds from public issue, rights issue and/or preferential issue(s) during the financial year under review.
- e) The Company has followed the Accounting Standards issued by the Institute of Chartered Accountants of India to the extent applicable, and prepared the accounts on going concern basis.
- f) The Company has complied with the mandatory requirements of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as well as listing agreement entered with the Stock Exchange/s.
- g) Information pertaining to particulars of the Directors to be appointed and re-appointed at the forthcoming Annual General Meeting is being included in the notice / explanatory statement to the Notice convening the 27th Annual General Meeting.
- h) The Company has in place a comprehensive Code of Conduct (the Code) applicable to all the Directors and Senior Management. The Code gives guidance and support needed for ethical conduct of business and compliance of law. A copy of the Code has been put on the Company's website (www.vintroninformatics.com). The Code has been circulated to all the members of the Board and Senior Management and its compliance is affirmed by them
- i) The Board in its Report to the Members of the Company have confirmed that the Annual Accounts for the year ended March 31, 2018 have been prepared as per applicable Accounting Standards and policies and that sufficient care has been taken for maintaining adequate accounting records.
- j) The management discussions and analysis report forms part of the Annual Report.
- k) The website link for policy on dealing with related party transactions is http://vintroninformatics.com/wp-content/uploads/2016/09/RELATED-PARTY-TRANSACTIONS-POLICY_FINAL.pdf

11. NON- MANDATORY REQUIREMENTS UNDER THE PROVISIONS OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

The Company has adopted following Non-mandatory requirements of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015:

i. The Board

The Chairman of the Company is the Executive Chairman.

All the Directors including Independent Directors are appointed/re-appointed by the Board from time to time. The Board of Directors of the Company appointed the Independent Directors for 5 consecutive years.

ANNEXURE TO DIRECTORS' REPORT Contd.

ii. Shareholders' Rights

The quarterly, half-yearly and annual financial results of the Company are published in the newspapers and are also posted on the Company's website. The complete Annual Report is sent to each and every shareholder of the Company.

iii. Audit Qualifications

There are no Audit Qualifications in the Company's financial statements for the year under reference.

iv. Reporting of Internal Auditors

The Internal Auditors directly report to the Audit Committee.

12. COMPLIANCE CERTIFICATE

Compliance Certificate for Corporate Governance from M/s. APAS & Co., the Statutory Auditors of the Company is annexed herewith.

Annexure-5

AUDITORS' CERTIFICATE ON COMPLIANCE WITH THE CONDITIONS OF CORPORATE GOVERNANCE UNDER THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

To
The members of
Vintron Informatics Limited
New Delhi

We have reviewed the implementation of Corporate Governance procedures by Vintron Informatics Limited during the year ended 31st March, 2018 with the relevant records and documents maintained by the Company, furnished to us for our review and the report on Corporate Governance as approved by the Board of Directors.

The compliances of conditions of Corporate Governance is the responsibility of the management, our examination was limited to a review of procedures and implementations thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statement of the Company.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

On the basis of our review and according to the information and explanations given to us, the conditions of Corporate Governance as stipulated in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 with the stock exchange(s) have been complied with in all material respect by the Company and that no investor grievance(s) is/ are pending for a period exceeding one month against the Company as per the records maintained by the Share Transfer Committee/Stakeholder's Relationship Committee.

For APAS & Co.
Chartered Accountants
Firm Regn. No. 000340C

Sd/-

Rajeev Ranjan
Partner

Membership No. 535395

Place : **New Delhi**
Dated : **11-08-2018**

ANNEXURE TO DIRECTORS' REPORT Contd.

Annexure-6

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

As on financial year ended on 31.03.2018

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

I. REGISTRATION & OTHER DETAILS:

1. CIN	L72100DL1991PLC045276
2. Registration Date	06-08-1991
3. Name of the Company	VINTRON INFORMATICS LIMITED
4. Category/Sub-category of the Company	COMPANY LIMITED BY SHARES INDIAN NON-GOVERNMENT COMPANY
5. Address of the Registered office & contact details	F-90/1A, Okhla Industrial Area, Phase-I Near ESIC Hospital, New Delhi-110020 Phone: 011-43740000; Fax: 011-43740040
6. Whether listed Company	YES
7. Name, Address & contact details of the Registrar & Transfer Agent, if any.	M/S. Skyline Financial Services Private Limited D-153/A First Floor, Okhla Industrial Area Phase-I, New Delhi-110020 Phone: 011-26812682-83; 40450193-97 e-mail: admin@skylinerta.com

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY (All the business activities contributing 10 % or more of the total turnover of the Company shall be stated)

Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the Company
Printed Circuit Boards / CCTV CAMERAS / DVR'S ETC.	26104	81.67%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES -

Name and Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% age of Shares held	Applicable Section
Goodworth Build Invest Private Limited, E-20 1st & 2nd Floor, Hauz Khas, New Delhi-110016	U67120DL1996PTC080563	Holding	73.93	2(46)

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ANNEXURE TO DIRECTORS' REPORT Contd.

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

A) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year [As on 01-April-2017]				No. of Shares held at the end of the year [As on 31-March-2018]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/ HUF	781700	0	781700	1.00	781700	0	781700	1.00	
b) Central Govt	0	0	0	0.00	0	0	0	0.00	
c) State Govt(s)	0	0	0	0.00	0	0	0	0.00	
d) Bodies Corporate	57984250	900	57985150	74.00	57985150	0	57985150	74.00	
e) Banks / FI	0	0	0	0.00	0	0	0	0.00	
f) Any other	0	0	0	0.00	0	0	0	0.00	
Sub-Total (A) (1)	58765950	900	58766850	75.00	58766850	0	58766850	75.00	
(2) Foreign									
a) NRIs - Individuals	0	0	0	0.00	0	0	0	0.00	
b) Other - Individuals	0	0	0	0.00	0	0	0	0.00	
c) Bodies Corporates	0	0	0	0.00	0	0	0	0.00	
d) Banks / FI	0	0	0	0.00	0	0	0	0.00	
e) Any Other	0	0	0	0.00	0	0	0	0.00	
Sub-Total (A) (2)	0	0	0	0.00	0	0	0	0.00	
Total Shareholding of Promoters (A) = (A)(1)+ (A)(2)	58765950	900	58766850	75.00	58766850	0	58766850	75.00	
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	0	0	0	0.00	0	0	0	0.00	
b) Banks / FI	0	0	0	0.00	0	0	0	0.00	
c) Central Govt	0	0	0	0.00	0	0	0	0.00	
d) State Govt(s)	0	0	0	0.00	0	0	0	0.00	
e) Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	
f) Insurance Companies	0	0	0	0.00	0	0	0	0.00	
g) FIs	0	0	0	0.00	0	0	0	0.00	
h) Foreign Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	
i) Others (specify)	0	0	0	0.00	0	0	0	0.00	
Sub-total (B)(1):-	0	0	0	0.00	0	0	0	0.00	
2. Non-Institutions									
a) Bodies Corp.									
i) Indian	6634223	2200	6636423	8.47	6381234	2200	6383434	8.15	-0.32
ii) Overseas	500	0	500	0.00	0	0	0	0.00	
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	3908556	976602	4885158	6.23	4157710	974102	5131812	6.55	0.32
ii) Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	6409235	0	6409235	8.18	6514074	0	6514074	8.31	0.13

ANNEXURE TO DIRECTORS' REPORT Contd.

c) Others (HUF)	1090813	0	1090813	1.39	1119998	0	1119998	1.43	0.04
Non Resident Indians	353876	200200	554076	0.71	238932	200200	439132	0.56	-0.15
Overseas Corporate Bodies	0	0	0	0.00	0	0	0	0.00	
Foreign Nationals	0	0	0	0.00	0	0	0	0.00	
Clearing Members	7645	0	7645	0.01	300	0	300	0.00	-0.01
Trusts	100	0	100	0.00	200	0	200	0.00	
Foreign Bodies - D R	0	0	0	0.00	0	0	0	0.00	
NBFCs Registered with RBI	5000	0	5000	0.01	0	0	0	0.00	-0.01
Sub-total (B)(2):-	18056072	1179002	19588950	25.00	18412448	1176502	19588950	25.00	0.00
Total Public Shareholding (B)=(B)(1)+ (B)(2)	18056072	1179002	19588950	25.00	18412448	1176502	19588950	25.00	0.00
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0.00	0	0	0	0.00	
Grand Total (A+B+C)	76822022	1179902	78355800	100.00	77179298	1176502	78355800	100.00	0.00

B) Shareholding of Promoter(s)

S. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total shares	
1	Uma Gupta	328800	0.42	0	328800	0.42	0	
2	Raj Kumar Gupta	452900	0.58	0	452900	0.58	0	
3	Vintron Electronics Limited	4170	0.00	0	4170	0.00	0	
4	Ritika Electronics Private Limited	23000	0.03	0	23000	0.03	0	
5	Vintron Computers Private Limited	33429	0.04	0	32529	0.04	0	
6	Goodworth Build Invest Pvt. Ltd.	57924551	73.93	0	57925451	73.93	0	
	Total	58766850	75.00	0	58766850	75.00	0	

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

S. No.	Particulars	Date	Reason	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	At the beginning of the year	01-04-2017		58766850	75.00	58766850	75.00
2	Changes during the year			0	0.00	0	0.00
3	At the end of the year (1±2)	31-03-2018		58766850	75.00	58766850	75.00

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ANNEXURE TO DIRECTORS' REPORT Contd.

D) Shareholding Pattern of top ten Shareholders:

(Other than Directors, Promoters and Holders of GDRs and ADRs):

S. No.	For Each of the Top 10 Shareholders	Date of Change/ become part of Top-10	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.	Net Axxess Communications Limited		5796356	7.40	5777935	7.37
2.	Manisha Narang		2073511	2.65	2073511	2.65
3.	Yash Vardhan Singhania		847149	1.08	1187149	1.52
4.	N Rama Subramanian		847149	1.08	847149	1.08
5.	Girish Singhania		847148	1.08	847148	1.08
6.	Rekha Singhania		829649	1.06	829649	1.06
7.	Girish Narang		700000	0.89	700000	0.89
8.	Ritesh Kumar Garg ##		340000	0.43	0	0.00
9.	Suresh Kumar Chauhan		223995	0.29	223995	0.29
10.	Sunita Kantilal Vardhan		208093	0.27	208093	0.27
11.	Sajjan Duggar #	08-12-2017	0	0.00	180000	0.23

- Not amongst Top-10 shareholders as at the beginning of the year

- ceased to be amongst Top-10 shareholders during the year

E) Shareholding of Directors and Key Managerial Personnel:

S. No.	Shareholding of each Directors and each Key Managerial Personnel	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.	Raj Kumar Gupta	452900	0.58	452900	0.58
2.	Jagdish Singh Dalal	0	0.00	0	0.00
3.	Satish Chand	14023	0.02	14023	0.02
4.	Arvind Sharma	1200	0.00	1200	0.00
5.	Varun Gupta	0	0.00	0	0.00
6.	Tripti Pande Desai	0	0.00	0	0.00
7.	Neelam Anand Saxena	0	0.00	0	0.00
7.	Kajal Gupta, Company Secretary (KMP)	0	0.00	0	0.00
8.	Dinesh Kumar Gupta, CFO (KMP)	0	0.00	0	0.00

F) INDEBTEDNESS

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

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	57,039,708.00	81,972,608.00	0.00	139,012,316.00
ii) Interest due but not paid	0.00	0.00	0.00	0.00
iii) Interest accrued but not due	0.00	0.00	0.00	0.00
Total (i+ii+iii)	57,039,708.00	81,972,608.00	0.00	139,012,316.00
Change in Indebtedness during the financial year				
* Addition	99,050,000.00	10,600,000.00	0.00	109,650,000.00
* Reduction	58,648,297.00	17,000,000.00	0.00	75,648,297.00
Net Change	40,401,703.00	-6,400,000.00	0.00	34,001,703.00
Indebtedness at the end of the financial year				
i) Principal Amount	97,441,411.00	75,572,608.00	0.00	173,014,019.00
ii) Interest due but not paid	0.00	0.00	0.00	0.00
iii) Interest accrued but not due	0.00	0.00	0.00	0.00
Total (i+ii+iii)	97,441,411.00	75,572,608.00	0.00	173,014,019.00

ANNEXURE TO DIRECTORS' REPORT Contd.

V. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL(S)

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

S. No.	Particulars of Remuneration	Shri Raj Kumar Gupta, Chairman-cum-Whole Time Director	Shri Arvind Sharma, Managing Director	Shri Varun Gupta, Whole Time Director-cum-CEO	Total Amount
1	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	1,440,000.00	1,860,000.00	540,000.00	3,840,000.00
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	314,000.00	0.00	0.00	314,000.00
	(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	0.00	0.00	0.00	0.00
	- others, specify...	0.00	0.00	0.00	0.00
5	Others, please specify	0.00	0.00	0.00	0.00
	Total (A)	1,754,000.00	1,860,000.00	540,000.00	4,154,000.00
	Ceiling as per the Act				4,200,000.00

B. Remuneration to other directors:

S. No.	Particulars of Remuneration	Name of Director(s)				Total Amount
		Jagdish Singh Dalal	Satish Chand	Tripti Pande Desai *	Neelam Anand Saxena #	
1.	Independent Directors					
	Fee for attending board committee meetings	0.00	0.00	0.00	50,000.00	50,000.00
	Commission	0.00	0.00	0.00	0.00	0.00
	Others, please specify	0.00	0.00	0.00	0.00	0.00
	Total (1)	0.00	0.00	0.00	50,000.00	50,000.00
2	Other Non-Executive Directors					
	Fee for attending board committee meetings	0.00	0.00	0.00	0.00	0.00
	Commission	0.00	0.00	0.00	0.00	0.00
	Others, please specify	0.00	0.00	0.00	0.00	0.00
	Total (2)	0.00	0.00	0.00	0.00	0.00
	Total (B)=(1+2)	0.00	0.00	0.00	50,000.00	0.00
	Total Managerial Remuneration	0.00	0.00	0.00	50,000.00	0.00
	Overall Ceiling as per the Act	0.00	0.00	0.00	0.00	0.00

* - Resigned from the Board of Directors w.e.f. 30-05-2017; # - Appointed on the Board of Directors w.e.f. 08-07-2017

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ANNEXURE TO DIRECTORS' REPORT Contd.

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

S. No.	Particulars of Remuneration	Key Managerial Personnel		
		Kajal Gupta Company Secretary	Dinesh Kumar Gupta Chief Financial Officer	Total
1.	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	260,585.00	1,027,200.00	1,287,785.00
	(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	0.00	0.00	0.00
	- as % of profit	0.00	0.00	0.00
	others, specify...	0.00	0.00	0.00
5	Others, please specify	0.00	0.00	0.00
	Total (C)	260,585.00	1,027,200.00	1,287,785.00

VI. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES: NONE

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

By order of the Board
FOR VINTRON INFORMATICS LIMITED

Place : New Delhi
Date : 11th August, 2018

Sd/-
(RAJ KUMAR GUPTA)
Chairman & Whole Time Director
DIN: 00019125

INDEPENDENT AUDITORS' REPORT

**TO
THE MEMBERS OF
VINTRON INFORMATICS LIMITED**

Report on the Standalone Ind AS Financial Statements

We have audited the accompanying standalone Ind AS financial statements of **VINTRON INFORMATICS LIMITED** ("the Company"), which comprise the Balance Sheet as at 31st March, 2018, and the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone Ind AS financial statements that give a true and fair view of the state of affairs, Loss, 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) prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 as amended.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit of the standalone Ind AS financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the standalone Ind AS financial statements are free from material misstatement.

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

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

Opinion

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

Emphasis of Matter

We draw out attention to

- a) Note no 26- As at the end of the year the net worth of the company stands eroded and during the year the company has continued to incur cash losses. These conditions may cast doubt about the Company's ability to continue as a going concern. Nevertheless, during the year the company had expanded its capacity and in view of that the management have perception of revival of the company in subsequent years. Moreover, since the current assets exceed than the current liabilities as at the end of the year, and management has considered the loss/erosion as aforesaid as temporary, financial statements have been prepared on going concern basis.

We have not modified our opinion on this matter.

Report on Other Legal and Regulatory Requirements

1. As required by the 'Companies (Auditor's Report) Order, 2016', issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act (hereinafter referred to as the "Order"), we give in the Annexure 'I' a statement on the

INDEPENDENT AUDITORS' REPORT Contd.

matters specified in paragraphs 3 and 4 of the Order.

2. As required by Section 143 (3) of the Act, we report that:
- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - (d) In our opinion, the aforesaid standalone Ind AS financial statements comply with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules 2015 as amended.
 - (e) On the basis of the written representations received from the directors as on 31st March, 2018 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2018 from being appointed as a director in terms of Section 164 (2) of the Act.
 - (f) In our opinion the matter referred in Note 'a' in "Emphasis of Matter" above may have an adverse effect on the functioning of the company.**
 - (g) We are enclosing herewith a report in Annexure II for our opinion on adequacy of internal financial controls system in place in the company and the operating effectiveness of such controls.
 - (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, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed impact of pending litigations on its financial position in its financial statements. (Refer Note- 37)
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There was no amount which were required to be transferred, to the Investor Education and Protection Fund by the Company.

For APAS & CO.
CHARTERED ACCOUNTANTS
Firm Regn. No. 000340C

Sd/-
(RAJEEV RANJAN)
PARTNER
M. No. 535395

PLACE : NEW DELHI
DATED : 6th June, 2018

ANNEXURE- I TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

- i. In respect of its fixed assets:
 - a) *During the year under audit the Company could not produce the fixed assets records/registers, before us for verification, which as explained to us are under preparation. In view of above we are unable to comment on the matter.*
 - b) As explained to us, fixed assets have been physically verified by the management in a phased periodical manner, which in our opinion is reasonable, having regard to the size of the Company and nature of its assets. As informed to us no material discrepancies were noticed on such physical verification.
 - c) Title deed in respect of immovable property is held in the name of the company.
- ii. As explained to us physical verification has been conducted by the management at reasonable intervals in respect of inventories of finished goods, stores, spare parts and raw materials. We were explained that no material discrepancies have been noticed on physical verification.
- iii. As informed 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 Companies Act, 2013
- iv. According to the information and explanations given to us, the company has no transactions in respect of loans, investments, guarantees and securities covered under the provisions of Section 185 and 186.
- v. According to the information and explanations given to us the company has not accepted any deposits, in terms of the

ANNEXURE TO AUDITORS' REPORT

directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act 2013 and the rules framed there under.

- vi. In respect of business activities of the company maintenance of cost records has not been specified by the Central Government under sub-section (l) of section 148 of the Companies Act read with rules framed thereunder.
- vii. a) *As per information and explanations given to us the Company has been depositing the undisputed statutory dues including Provident Fund, Employees State Insurance, Income Tax, Goods and Service Tax and other statutory dues with the appropriate Authorities which were delayed on most of the occasions. However, there are no undisputed statutory liabilities lying unpaid as at the year-end for a period of more than six months from the date they become payable.*
- b) We have been informed that following statutory dues have not been deposited on account of disputes and appeals for the same are pending with different forums as mention herein

NATURE OF DEMAND	AMOUNT INVOLVED (Rs. in lacs)	FORUM BEFORE WHICH THE CASE IS PENDING
Customs Act	606.47	Directorate of Revenue Intelligence
Sales Tax Demand	86.70	Commissioner/Appellate Tribunals

- viii. Based on our audit procedures and on the basis of information and explanations given to us by the management, we are of the opinion that there is no borrowings from the banks/ financial institution/Government and the company has not issued any debentures.
- ix. As explained to us term loans obtained during the year were applied for the purpose for which the loans were obtained by the company. The company has not raised any money during the year by way initial or further public offer.
- x. Based upon the audit procedures performed and information and explanations given by the management, we report that, no fraud by the Company or on the company by its officers or employees has been noticed or reported during the course of our audit for the year ended 31.03.2018.
- xi. According to information and explanations given to us, the managerial remuneration paid and provided by the company during the year is in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V of the Companies Act, 2013.
- xii. The provisions of clause (xii) of the Order are not applicable as the company is not a Nidhi Company as specified in the clause.
- xiii. According to information and explanations given to us, we are of the opinion that all related party transactions are in compliance with the Section 177 and 188 of Companies Act, 2013. Necessary disclosures have been made in the financial statements as required by the applicable Accounting Standards.
- xiv. According to information and explanations given to us, the company has not made any preferential allotment or private placement of shares or debentures during the year.
- xv. According to information and explanations given to us, the Company has not entered into any non-cash transaction with the director or any person connected with him during the year.
- xvi. In our opinion, in view of its business activities, the company is not required to be registered under section 451A of Reserve Bank of India Act, 1934.

For APAS & CO.
CHARTERED ACCOUNTANTS
Firm Regn. No. 000340C

Sd/-
(RAJEEV RANJAN)
PARTNER
M. No. 535395

PLACE : NEW DELHI
DATED : 6th June, 2018

ANNEXURE- II TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

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

ANNEXURE TO AUDITORS' REPORT Contd.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. We believe that the audit evidence. We have obtained 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 unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

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

For APAS & CO.
CHARTERED ACCOUNTANTS
Firm Regn. No. 000340C

Sd/-
(RAJEEV RANJAN)
PARTNER
M. No. 535395

PLACE : NEW DELHI
DATED : 6th June, 2018

Balance Sheet as at 31 March, 2018

(Amount in Rupees Lacs, unless otherwise stated)

Particulars	Notes	As at 31 March 2018	As at 31 March 2017	As at 01 April 2016
I ASSETS				
(1) Non-current assets				
(a) Property, Plant and Equipment	3	649.79	499.56	518.98
(b) Intangible assets	4	9.51	13.75	17.34
(c) Financial assets:				
(i) Loans	5	2.55	2.55	2.55
(ii) Other financial assets	5	62.41	60.43	56.40
(d) Other non financial assets	6	40.26	120.17	39.91
Sub-total		764.52	696.46	635.18
(2) Current assets				
(a) Inventories	7	498.83	331.46	872.79
(b) Financial assets				
(i) Trade receivables	8	421.87	436.36	501.05
(ii) Cash and cash equivalents	9	16.67	17.74	24.18
(iii) Bank balances other than (ii) above	9	-	21.50	21.50
(iv) Loans	5	7.39	1.00	2.31
(v) Other financial assets	10	13.18	8.61	8.14
(c) Other current assets	6	36.42	14.11	10.88
Sub-total		994.36	830.78	1,440.85
Total Assets		1,758.88	1,527.24	2,076.03
II EQUITY AND LIABILITIES				
Equity				
Equity share capital	11	783.66	783.66	783.66
Other Equity	12	(1,630.27)	(1,152.28)	(231.02)
Sub-total		(846.61)	(368.62)	552.64
LIABILITIES				
(1) Non-current liabilities				
(a) Financial liabilities				
(i) Borrowings	13	1,662.01	1,318.57	974.85
Sub-total		1,662.01	1,318.57	974.85
(2) Current liabilities				
(a) Financial liabilities				
(i) Trade Payables	14	574.17	425.99	380.17
(ii) Other financial liabilities	15	187.39	119.32	103.17
(b) Other current liabilities	16	176.21	26.27	59.79
(c) Provisions	17	5.71	5.71	5.41
Sub-total		943.48	577.29	548.54
Total Equity and Liabilities		1,758.88	1,527.24	2,076.03

Significant Accounting Policies

1 & 2

See accompanying notes to the financial statements.

In terms of our report of even date annexed.

For and on behalf of the board

For APAS & CO.
Chartered Accountants
Firm REGN. No. 000340C

Sd/-
(R. K. GUPTA)
Chairman & WTD
DIN: 00019125

Sd/-
(ARVIND SHARMA)
Managing Director
DIN: 00012177

Sd/-
(SATISH CHAND)
Director
DIN: 02615736

Place: **New Delhi**
Dated: **06.06.2018**

Sd/-
RAJEEV RANJAN
Partner
M No. 535395

Sd/-
(DINESH K. GUPTA)
CFO
PAN: AFLPG9534M

Sd/-
(KAJAL GUPTA)
Company Secretary
ACS-22785 33

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Statement of Profit and Loss for the year ended 31 March, 2018

(Amount in Rupees Lacs, unless otherwise stated)

Particulars	Notes	For the Year ended 31 March 2018	For the Year ended 31 March 2017
I REVENUE			
Revenue from operations	18	2,471.38	2,284.20
Other income	19	21.56	21.92
Total Revenue (I)		2,492.94	2,306.12
II EXPENSES			
Cost of material consumed	20	1,982.13	1,709.88
Purchases of stock in trade		94.89	87.26
Changes in inventories of finished goods and stock-in-trade	21	(132.91)	528.84
Excise duty on sale of goods		9.32	89.82
Employee benefits expenses	22	466.64	421.33
Finance costs	23	111.98	83.57
Depreciation and amortization expenses	24	90.33	80.25
Other expenses	25	346.75	226.43
Total expenses (II)		2,969.13	3,227.38
III Profit / (loss) for the year from continuing operations (I-II)		(476.19)	(921.26)
IV Tax expense:			
Current Tax		-	-
For Earlier Years		1.80	-
V Profit / (Loss) for the Year (III-IV)		(477.99)	(921.26)
VI Other Comprehensive Income (OCI)		-	-
Items that will not be reclassified to profit or loss in subsequent period			
VII Other comprehensive income for the year, net of tax		(477.99)	(921.26)
VIII Earnings per Share (In Rupees)	26		
Basic and Diluted computed on the basis of profit from computing operations		(0.61)	(1.18)
Significant Accounting Policies	1 & 2		

See accompanying notes to the financial statements.

In terms of our report of even date annexed.

For and on behalf of the board

For APAS & CO.
Chartered Accountants
Firm REGN. No. 000340C

Sd/-
(R. K. GUPTA)
Chairman & WTD
DIN: 00019125

Sd/-
(ARVIND SHARMA)
Managing Director
DIN: 00012177

Sd/-
(SATISH CHAND)
Director
DIN: 02615736

Place: **New Delhi**
Dated: **06.06.2018**

Sd/-
RAJEEV RANJAN
Partner
M No. 535395

Sd/-
(DINESH K. GUPTA)
CFO
PAN: AFLPG9534M

Sd/-
(KAJAL GUPTA)
Company Secretary
ACS-22785

Statement of Changes in Equity for the year ended 31 March, 2018

(Amount in Rupees Lacs, unless otherwise stated)

	31 March 2018	31 March 2017
a Equity Share Capital		
Issued, subscribed and paid up capital (Refer note 11)		
Opening balance	783.66	783.66
Changes during the year	-	-
Closing balance	783.66	783.66

b Other equity

Particulars	Reserves and Surplus		Items of OCI	Total equity
	Share premium	Retained earnings		
	(Refer note 12)			
As at 1 April 2016	423.30	(3,966.10)	-	(3,542.80)
Additions	-	-	-	-
Net income / (loss) for the year	-	(921.26)	-	(921.26)
Other comprehensive income	-	-	-	-
Total	-	(921.26)	-	(921.26)
As at 31 March 2017	423.30	(4,887.36)	-	(4,464.06)
Additions	-	-	-	-
Net income / (loss) for the year	-	(477.99)	-	(477.99)
Other comprehensive income	-	-	-	-
Total	-	(477.99)	-	(477.99)
As at 31 March 2018	423.30	(5,365.35)	-	(4,942.05)

See accompanying notes to the financial statements.

In terms of our report of even date annexed.

For and on behalf of the board

For APAS & CO.
Chartered Accountants
Firm REGN. No. 000340C

Sd/-
(R. K. GUPTA)
Chairman & WTD
DIN: 00019125

Sd/-
(ARVIND SHARMA)
Managing Director
DIN: 00012177

Sd/-
(SATISH CHAND)
Director
DIN: 02615736

Place: **New Delhi**
Dated: **06.06.2018**

Sd/-
RAJEEV RANJAN
Partner
M No. 535395

Sd/-
(DINESH K. GUPTA)
CFO
PAN: AFLPG9534M

Sd/-
(KAJAL GUPTA)
Company Secretary
ACS-22785

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Cash Flow Statement for the year ended 31 March, 2018

(Amount in Rupees Lacs, unless otherwise stated)

Particulars	For the Year ended 31 March 2018	For the Year ended 31 March 2017
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit before tax	(476.19)	(921.26)
Adjusted for :		
Depreciation & Amortisation	90.33	80.25
Interest income	(2.20)	(4.49)
Interest cost	111.98	83.57
	200.11	159.33
Operating Profit before Working Capital Changes	(276.08)	(761.93)
Adjusted for :		
Trade & Other Receivables	59.15	(21.99)
Inventories	(167.37)	541.33
Trade Payable	148.17	45.81
Other financial liabilities	75.40	8.21
Other current liabilities	149.95	(33.52)
Provisions	-	0.30
	265.30	540.14
Cash Generated from Operations	(10.78)	(221.79)
Direct Taxes Paid (net)	(1.80)	-
Exceptional items	-	(1.80)
	(1.80)	-
Net Cash from operating activities	(12.58)	(221.79)
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets	(236.31)	(56.59)
Purchase of Intangible Assets	-	(0.65)
Movement in Bank Deposits	21.50	-
Interest Received	2.20	4.49
	(212.61)	(52.74)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds/ (Repayment) of Long Term Borrowings (Net)	333.81	352.22
Interest Paid	(109.68)	(84.13)
Net Cash used in Financing Activities	224.13	268.09
Net increase in Cash and Cash Equivalents	(1.06)	(6.44)
Cash and Cash Equivalents as at beginning of the year	17.74	24.18
Cash and Cash Equivalents as at end of the year	16.68	17.74

Note to cash flow statement

- Components of cash and cash equivalents

Balances with banks		
- Current accounts	13.86	13.55
- Deposit accounts (demand deposits and deposits having original maturity of 3 months or less)		
Cash on hand	2.81	4.19
Cash and cash equivalents considered in the cash flow statement	16.67	17.74
- The above cash flow statement has been prepared in accordance with the 'Indirect method' as set out in Indian Accounting Standard - 7 on 'Statement of Cash Flows' as specified in (Indian Accounting Standard) Amendment Rules, 2016

The note referred to above forms an integral part of the financial statements
See accompanying notes to the financial statements.

In terms of our report of even date annexed.

For and on behalf of the board

For APAS & CO.
Chartered Accountants
Firm REGN. No. 000340C

Sd/-
(R. K. GUPTA)
Chairman & WTD
DIN: 00019125

Sd/-
(ARVIND SHARMA)
Managing Director
DIN: 00012177

Sd/-
(SATISH CHAND)
Director
DIN: 02615736

Place: **New Delhi**
Dated: **06.06.2018**

Sd/-
RAJEEV RANJAN
Partner
M No. 535395

Sd/-
(DINESH K. GUPTA)
CFO
PAN: AFLPG9534M

Sd/-
(KAJAL GUPTA)
Company Secretary
ACS-22785

NOTES TO IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2018

NOTE NO. 1

1. Corporate information

VINTRON INFORMATICS LIMITED ("the company") is a listed company domiciled in India and was incorporated on 6th August 1991. The company is subsidiary company of Goodworth Build Invest Pvt. Ltd.. The registered office of the Company is located at F-90/1A, Okhala Industrial Area, Phase 1, New Delhi, Delhi-110020, India.

The financial statements of the company for the year ended 31st March 2018 were authorized for issue in accordance with a resolution of the directors on 6th June, 2018.

NOTE NO. 2 SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of preparation

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 and the Companies (Indian Accounting Standards) (Amendment) Rules, 2016.

For all periods up to and including the year ended 31 March, 2017, the Company prepared its financial statements in accordance with Indian GAAP including accounting standards notified under section 133 of the Companies Act, 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP). These financial statements for the year ended 31 March, 2018 are the first year being prepared in accordance with IndAS.

The financial statements have been prepared on a historical cost basis, except for the certain assets and liabilities which have been measured at different basis and such basis has been disclosed in relevant accounting policy.

The financial statements are presented in INR and all values are rounded to the nearest lacs (INR 00,000), except when otherwise indicated.

2.2 Significant accounting policies

a. Business combinations and goodwill

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred measured at acquisition date fair value and the amount of any noncontrolling interests in the acquiree. For each business combination, the Group elects whether to measure the noncontrolling interests in the acquiree at fair value or at the proportionate share of the acquiree's identifiable net assets.

Acquisition-related costs are expensed as incurred. At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognised at their acquisition date fair values. For this purpose, the liabilities assumed include contingent liabilities representing present obligation and they are measured at their acquisition fair values irrespective of the fact that outflow of resources embodying economic benefits is not probable. However, the following assets and liabilities acquired in a business combination are measured at the basis indicated below:

- % Assets or liabilities related to employee benefit arrangements are recognised and measured in accordance with Ind AS 19 *Employee Benefits*.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date. This includes the separation of embedded derivatives in host contracts by the acquiree. If the business combination is achieved in stages, any previously held equity interest is re-measured at its acquisition date fair value and any resulting gain or loss is recognised in profit or loss or OCI, as appropriate.

Any contingent consideration to be transferred by the acquirer is recognised at fair value at the acquisition date. Contingent consideration classified as an asset or liability that is a financial instrument and within the scope of Ind AS 109 *Financial Instruments*, is measured at fair value with changes in fair value recognised in profit or loss. If the contingent consideration is not within the scope of Ind AS 109, it is measured in accordance with the appropriate Ind AS. Contingent consideration that is classified as equity is not re-measured at subsequent reporting dates and subsequent its settlement is accounted for within equity.

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests, and any previous interest held, over the net identifiable assets acquired and liabilities assumed. If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Group re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognised at the acquisition date. If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognised in OCI and accumulated in equity as capital reserve. However, if there is no clear evidence of bargain purchase, the entity recognises the gain directly in equity as capital reserve, without routing the same through OCI.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

A cash generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised in profit or loss. An impairment loss recognised for goodwill is not reversed in subsequent periods.

Where goodwill has been allocated to a cash-generating unit and part of the operation within that unit is disposed of, the goodwill associated with the disposed operation is included in the carrying amount of the operation when determining the gain or loss on disposal. Goodwill disposed in these circumstances is measured based on the relative values of the disposed operation and the portion of the cash-generating unit retained.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted through goodwill during the measurement period, or additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed at the acquisition date that, if known, would have affected the amounts recognized at that date. These adjustments are called as measurement period adjustments. The measurement period does not exceed one year from the acquisition date.

b. Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current / non-current classification. An asset/liability is treated as current when it is:

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NOTES TO IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2018 Contd.

- Expected to be realised or intended to be sold or consumed or settled in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised/settled within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other assets and liabilities are classified as non-current.

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities respectively.

c. Property, plant and equipment

i) Tangible assets

Under the previous GAAP (Indian GAAP), property, plant and equipment were carried in the balance sheet at cost net of accumulated depreciation as at 31 March 2016. The Company has elected to regard those values of property as deemed cost at the date of the transition to Ind AS, i.e., 1 April 2016.

Property, plant and equipment are stated at cost [i.e., cost of acquisition or construction inclusive of freight, erection and commissioning charges, non-refundable duties and taxes, expenditure during construction period, borrowing costs (in case of a qualifying asset) upto the date of acquisition/ installation], net of accumulated depreciation.

When significant parts of property, plant and equipment (identified individually as component) are required to be replaced at intervals, the Company derecognizes the replaced part, and recognizes the new part with its own associated useful life and it is depreciated accordingly. Whenever major inspection/ overhaul/repair is performed, its cost is recognized in the carrying amount of respective assets as a replacement, if the recognition criteria are satisfied. All other repair and maintenance costs are recognized in the statement of profit and loss.

The present value of the expected cost for the decommissioning of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met.

Property, plant and equipments are eliminated from financial statements, either on disposal or when retired from active use. Losses/gains arising in case retirement/disposals of property, plant and equipment are recognized in the statement of profit and loss in the year of occurrence.

Depreciation on property, plant and equipments are provided to the extent of depreciable amount on the straight line (SLM) Method. Depreciation is provided at the rates and in the manner prescribed in Schedule II to the Companies Act, 2013 except on some assets, where useful life has been taken based on external / internal technical evaluation as given below:

Particulars	Useful lives
Plant and Machinery	20 years

The residual values, useful lives and methods of depreciation/amortization of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

ii) Capital work in progress

Capital work in progress includes construction stores including material in transit/ equipment / services, etc. received at site for use in the projects.

All revenue expenses incurred during construction period, which are exclusively attributable to acquisition / construction of fixed assets, are capitalized at the time of commissioning of such assets.

d. Intangible Assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortization.

Intangible assets with finite lives (i.e. software and licenses) are amortized over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and method for an intangible asset is reviewed at least at the end of each reporting period.

Costs relating to computer software are capitalised and amortised on straight line method over their estimated useful economic life of six years.

e. Borrowing Costs

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

f. Impairment of non-financial assets

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

Impairment losses of continuing operations, including impairment on inventories, are recognised in the statement of profit and loss.

g. Inventories

Items of inventories are measured at lower of cost and net realizable value after providing for obsolescence, wherever considered necessary. Cost of inventories comprises of cost of purchase, cost of conversion and other costs including manufacturing overheads incurred in bringing them to their respective present location and condition. Cost of raw material, stores and spares, packing materials, trading and other products are determined on FIFO basis.

h. Revenue Recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue from operations includes sale of goods, services and excise duty, adjusted for discounts (net).

Revenue from job work charges is accounted for on the basis of raising the invoice on completion of jobs.

NOTES TO IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2018 Contd.

Interest income is recognized on a time proportion basis taking into account the amount outstanding and the interest rate applicable.

i. Foreign currency transactions

The Company's financial statements are presented in INR, which is also its functional currency.

Foreign currency transactions are initially recorded in functional currency using the exchange rates at the date the transaction.

At each balance sheet date, foreign currency monetary items are reported using the exchange rate prevailing at the year end.

Exchange differences arising on settlement or translation of monetary items are recognised in statement of profit and loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.

j. Taxes on income

Current tax

Current tax is measured at the amount expected to be paid/ recovered to/from the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Current income tax relating to items recognised directly in equity/other comprehensive income is recognised under the respective head and not in the statement of profit & loss. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Current tax assets are offset against current tax liabilities if, and only if, a legally enforceable right exists to set off the recognised amounts and there is an intention either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the balance sheet date. Tax relating to items recognized directly in equity/other comprehensive income is recognized in respective head and not in the statement of profit & loss.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and is adjusted to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the asset to be recovered.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

k. Employee benefits

All employee benefits that are expected to be settled wholly within twelve months after the end of period in which the employee renders the related services are classified as short term employee benefits. Benefits such as salaries, wages, short-term compensated absences, etc. are recognized as expense during the period in which the employee renders related service.

The Employee benefits comprising defined benefit plan and defined contribution plan. Defined contribution plan is recognized as expenses on accrual basis to the extent of Company's contribution as an employer. Defined benefit plan of gratuity and the same are provided as expenses on the basis of demand raised by insurance company. Leave encashment benefit is accounted for on the basis of accumulated entitlement of the employee as at the end of the year and valued on last salary drawn.

The Company's contribution to the Provident Fund is remitted to provident fund authorities and are based on a fixed percentage of the eligible employee's salary and debited to Statement of Profit and Loss.

l. Provisions, Contingent liabilities and Contingent assets

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past events and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Contingent liability is disclosed in the case of:

- a present obligation arising from past events, when it is not probable that an outflow of resources will be required to settle the obligation;
- a present obligation arising from past events, when no reliable estimate is possible

Provisions, contingent liabilities and contingent assets are reviewed at each balance sheet date.

m. Earnings per share

Basic earnings per equity share is computed by dividing the net profit after tax attributable to the equity shareholders by the weighted average number of equity shares outstanding during the year. Diluted earnings per equity share is computed by dividing adjusted net profit after tax by the aggregate of weighted average number of equity shares and dilutive potential equity shares during the year.

n. Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand, cheques on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above.

o. Fair value measurement

The Company measures financial instruments such as derivatives and certain investments, at fair value at each balance sheet date.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described

NOTES TO IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2018 Contd.

as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognized in the balance sheet on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

p. Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

(a) Financial assets

Classification

The Company classifies financial assets as subsequently measured at amortized cost, fair value through other comprehensive income or fair value through profit or loss on the basis of its business model for managing the financial assets and the contractual cash flows characteristics of the financial asset.

Initial recognition and measurement

All financial assets are recognized initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

Subsequent measurement

For purposes of subsequent measurement financial assets are classified in below categories:

- **Financial assets carried at amortised cost**

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

- **Financial assets at fair value through other comprehensive income**

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. The Company has made an irrevocable election for its investments which are classified as equity instruments to present the subsequent changes in fair value in other comprehensive income based on its business model.

- **Financial assets at fair value through profit or loss**

A financial asset which is not classified in any of the above categories are subsequently fair valued through profit or loss.

Derecognition

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

Investment in subsidiaries, joint ventures and associates

The company has accounted for its investment in subsidiaries, joint ventures and associates at cost.

Impairment of financial assets

The Company assesses impairment based on expected credit losses (ECL) model for measurement and recognition of impairment loss on the financial assets that are trade receivables or contract revenue receivables and all lease receivables.

(b) Financial liabilities

Classification

The Company classifies all financial liabilities as subsequently measured at amortized cost, except for financial liabilities at fair value through profit or loss. Such liabilities, including derivatives that are liabilities, shall be subsequently measured at fair value.

Initial recognition and measurement

All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs. The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, and derivative financial instruments.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

- **Financial liabilities at amortised cost**

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in profit or loss when the liabilities are derecognized as well as through the EIR amortization process.

Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the statement of profit and loss.

- **Financial liabilities at fair value through profit or loss**

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments. Gains or losses on liabilities held for trading are recognized in the statement of profit and loss.

NOTES TO IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2018 Contd.

Derecognition

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

q. Unless specifically stated to be otherwise, these policies are consistently followed.

2.3 Significant accounting judgements, estimates and assumptions

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities at the date of the financial statements. Estimates and assumptions are continuously evaluated and are based on management's experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

In particular, the Company has identified the following areas where significant judgements, estimates and assumptions are required. Further information on each of these areas and how they impact the various accounting policies are described below and also in the relevant notes to the financial statements. Changes in estimates are accounted for prospectively.

Judgements

In the process of applying the Company's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognized in the financial statements:

Contingencies

Contingent liabilities may arise from the ordinary course of business in relation to claims against the Company, including legal, contractor, land access and other claims. By their nature, contingencies will be resolved only when one or more uncertain future events occur or fail to occur. The assessment of the existence, and potential quantum, of contingencies inherently involves the exercise of significant judgments and the use of estimates regarding the outcome of future events.

Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the consolidated financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market change or circumstances arising beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

(a) Impairment of non-financial assets

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or CGU's fair value less costs of disposal and its value in use. It is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded subsidiaries or other available fair value indicators.

(b) Defined benefit plans

The cost of the defined benefit plan and other post-employment benefits and the present value of such obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, mortality rates and future pension increases. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

(c) Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the DCF model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

(d) Impairment of financial assets

The impairment provisions for financial assets are based on assumptions about risk of default and expected loss rates. The Company uses judgments in making these assumptions and selecting the inputs to the impairment calculation, based on Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

2.4 Standards Issued but not yet Effective

Ind - AS 115 "Revenue from Contract with Customers"

Ind AS 115 was issued in February, 2015. The core principle of the new standard is that an entity should recognize revenue to depict the transfer of promised goods or services to the customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Further, the new standard requires enhanced disclosures about the nature, amount, timing and uncertainty of revenue and cash flows arising from the entity's contracts with customers.

This standard will come into force from accounting period commencing on or after 1st April, 2018. The company will adopt the new standard on the required effective date. The Company is in the process of making an assessment of the impact of Ind - AS 115 upon initial application, which is subject to changes arising from a more detailed ongoing analysis.

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NOTES TO IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2018 Contd.

Note 3 : Property, plant and equipment

(Amount in Rupees Lacs, unless otherwise stated)

Particulars	Freehold land	Buildings-Factory	Plant and machinery	Furniture & fixtures	Vehicles	Electric & Office equipments	Total
Cost or Valuation							
As at 1 April 2016	126.82	159.42	1,523.74	89.33	22.53	182.68	2,104.52
Additions	-	-	48.78	7.72	-	0.09	56.59
Disposal	-	-	-	-	-	-	-
Exchange differences	-	-	-	-	-	-	-
As at 31 March 2017	126.82	159.42	1,572.52	97.05	22.53	182.77	2,161.11
Additions	-	-	227.77	7.45	0.65	0.45	236.32
Disposal	-	-	-	-	-	-	-
As at 31 March 2018	126.82	159.42	1,800.29	104.50	23.18	183.22	2,397.43
Depreciation and impairment							
As at 1 April 2016	-	95.56	1,205.58	86.33	22.45	175.62	1,585.54
Additions	-	4.97	70.18	0.23	-	0.63	76.01
Disposal	-	-	-	-	-	-	-
As at 31 March 2017	-	100.53	1,275.76	86.56	22.45	176.25	1,661.55
Additions	-	4.97	79.65	0.76	0.01	0.70	86.09
Disposal	-	-	-	-	-	-	-
As at 31 March 2018	-	105.50	1,355.41	87.32	22.46	176.95	1,747.64
Net book value							
31 March 2018	126.82	53.92	444.88	17.18	0.72	6.27	649.79
31 March 2017	126.82	58.89	296.76	10.49	0.08	6.52	499.56
01 April 2016	126.82	63.86	318.16	3.00	0.08	7.06	518.98

Note 4 : Intangible assets

Particulars	Computer Software	Total
Cost or Valuation		
As at 1 April 2016	28.10	28.10
Additions	0.65	0.65
Disposal	-	-
As at 31 March 2017	28.75	28.75
Additions	-	-
Disposal	-	-
As at 31 March 2018	28.75	28.75
Amortisation and impairment		
As at 1 April 2016	10.76	10.76
Additions	4.24	4.24
Disposal	-	-

NOTES TO IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2018 Contd.

(Amount in Rupees Lacs, unless otherwise stated)

Particulars	Computer Software	Total
As at 31 March 2017	15.00	15.00
Additions	4.24	4.24
Disposal	-	-
As at 31 March 2018	19.24	19.24
Net book value		
31 March 2018	9.51	9.51
31 March 2017	13.75	13.75
01 April 2016	17.34	17.34

	Non-Current			Current		
	31 March 2018	31 March 2017	01 April 2016	31 March 2018	31 March 2017	01 April 2016
Note 5 : Loans at amortised cost						
Unsecured Considered good						
Security deposits	2.55	2.55	2.55	-	-	-
Advance to employees	-	-	-	7.39	1.00	2.31
Total	2.55	2.55	2.55	7.39	1.00	2.31
Other financial assets						
Bank deposits with original maturity of more than 12 months*	62.41	60.43	56.40	-	-	-
Total	62.41	60.43	56.40	-	-	-

* Deposits are under lien with bank as margin against guarantee/settlement of accounts. It includes capitalised interest. The amount is subject to confirmation from the bank.

Note 6 : Other non financial assets

	Non-Current			Current		
	31 March 2018	31 March 2017	01 April 2016	31 March 2018	31 March 2017	01 April 2016
Unsecured Considered good						
Capital advances	-	87.01	4.40	-	-	-
Advance to Contractors & Suppliers	-	-	-	0.40	12.44	8.33
Balances with statutory authorities	24.24	24.24	26.04	34.07	-	-
Income Taxes paid (net of provision)	16.02	8.92	9.47	-	-	-
Others*	-	-	-	1.95	1.67	2.55
Total	40.26	120.17	39.91	36.42	14.11	10.88

*Includes receivable from holding company Rs. 1.51 lacs. (31st March 2017: Rs. 1.12 lacs)

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NOTES TO IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2018 Contd.

(Amount in Rupees Lacs, unless otherwise stated)

	31 March 2018	31 March 2017	01 April 2016
Note 7 : Inventories (As taken, valued and certified by the Management)			
Raw Materials including stores	294.46	259.99	272.48
Finished Goods	98.53	49.34	120.88
Stock In Trade	105.84	22.13	479.43
Total	498.83	331.46	872.79

(Inventories have been valued in accordance with accounting policy no. 2.2 (g) as referred in Note No.1&2)

Note 8 : Trade receivables

(Unsecured Considered Good, Unless otherwise stated)

- Trade receivable Considered Good	421.87	436.36	501.05
- Considered doubtful	80.39	66.54	49.87
	502.26	502.90	550.92
Less: Provision for expected credit losses	(80.39)	(66.54)	(49.87)
	421.87	436.36	501.05
Total	421.87	436.36	501.05

No trade receivables are due from directors of the company or any firm or private company in which any director is a partner or director.

Trade receivables are non interest bearing and are generally on credit terms of 30 days.

Note 9 : Cash and cash equivalent

Balance with banks			
- In current account	13.86	13.55	15.88
- Cash on hand	2.81	4.19	8.30
Total	16.67	17.74	24.18

For the purpose of the statement of cash flows, cash and cash equivalents comprise the following:

Balance with banks			
- In current accounts	13.86	13.55	15.88
- Cash on hand	2.81	4.19	8.30
Total	16.67	17.74	24.18

Other bank balances

Deposit with original maturity of more than 3 months	-	21.50	21.50
Total	-	21.50	21.50

Note 10 : Other financial assets

Other receivables*	13.18	8.61	8.14
Total	13.18	8.61	8.14

* Includes Rs. 6.33 lacs (previous year Rs. 6.07 lacs) due from Vintron Electronics Pvt. Ltd., a company in which director of the company is also director.

NOTES TO IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2018 Contd.

(Amount in Rupees Lacs, unless otherwise stated)

	31 March 2018	31 March 2017	01 April 2016
Break up of financial assets carried at amortised cost:			
Security Deposits	2.55	2.55	-
Loans to Related Parties	13.18	8.61	8.14
Cash and Cash Equivalents	16.67	17.74	24.18
Trade Receivables	421.87	436.36	501.05
Other financial Assets	62.41	60.43	56.40
Other Loans	7.39	1.00	2.31
Total	524.07	526.69	592.08

Particulars	As at 31 March 2018	As at 31 March 2017	As at 01 April 2016
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Note 11 : Equity Share capital

Authorised Share Capital

- Equity Share Capital 16,00,00,000 shares (31 March 2017: 16,00,00,000 shares; 01 April 2016: 16,00,00,000 shares of par value of Re. 1 each)	1,600.00	1,600.00	1,600.00
Increase / (decrease) during the year	-	-	-
- Preference Share Capital 400,000 shares (31 March 2017: 4,00,000 shares; 01 April 2016: 4,00,000 shares of par value of Rs. 100/- each)	400.00	400.00	400.00
Increase / (decrease) during the year	-	-	-
Total	2,000.00	2,000.00	2,000.00

Issued, subscribed and paid up capital

- Equity Share Capital 7,83,55,800 shares (31 March 2017: 7,83,55,800 shares; 01 April 2016: 7,83,55,800 shares of par value of Re. 1/- each)	783.56	783.56	783.56
Add Shares forfeited amount originally paid up	0.10	0.10	0.10
Changes in Equity share capital during the year	-	-	-
Total	783.66	783.66	783.66

a) During the year, the company has not issued or bought back any share. Following is the reconciliation of number of shares outstanding as at the beginning of the year and end of the year.

Reconciliation of number of shares outstanding at the beginning and at the end of the year

Equity share capital

Particulars	Number of shares		
Shares outstanding at the beginning of the year	78,355,800	78,355,800	78,355,800
Shares issued during the year	-	-	-
Shares outstanding at the end of the year	78,355,800	78,355,800	78,355,800

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NOTES TO IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2018 Contd.

(Amount in Rupees Lacs, unless otherwise stated)

Particulars	Amount of share capital		
	31 March 2018	31 March 2017	01 April 2016
Shares Capital at the beginning of the year	783.66	783.66	783.66
Shares issued during the year	-	-	-
Shares Capital at the end of the year	783.66	783.66	783.66

Rights, preferences and restrictions attached to the equity shares

- b) The Company has only one class of equity shares having face value of Rs. 1/- per share. The holder of the equity shares is entitled to receive dividend as declared from time to time. The dividend proposed by the Board of Directors is subject to approval of the shareholders in ensuing annual general meeting. The holder of the share is entitled to voting rights proportionate to their shareholding. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the share holders.
- c) M/s. Goodworth Build Invest Private Limited is the Holding Company of the company and holding shares held by such holding company are mentioned hereunder.
- d) Of the above 5,79,25,451 equity shares (Previous year 5,79,24,551 equity shares) are held by Holding Company M/s Good worthbuild Invest Private Limited.
- d) Details of the Shareholders holding more than 5% shares in the Company

Particulars	31 March 2018		31 March, 2017		01 April, 2016	
	Number of shares held	% of holding	Number of shares held	% of holding	Number of shares held	% of holding
Goodworth Build Invest Private Limited	57,925,451	73.93%	57,924,551	73.93%	72,500,000	92.53%
Net Axecss Communications Limited	5,777,935	7.37%	5,796,356	7.40%	-	0.00%

- e) The company has not issued any shares for a consideration other than cash or bonus shares and also not bought back any shares in last five year.

Note 12 : Other Equity

Particulars	Amount
Reserves and Surplus	
Security premium reserve	
As at 01 April, 2016	423.30
Add: Changes during the period	
As at 31 March, 2017	423.30
Changes during the period	-
Closing balance as at 31 March, 2018	423.30
Retained earnings	
As at 01 April, 2016	(3,966.10)
Profit/(loss) during the period	(921.26)
As at 31 March, 2017	(4,887.36)
Profit/(loss) during the period	(477.99)
Closing balance as at 31 March, 2018	(5,365.35)

NOTES TO IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2018 Contd.

(Amount in Rupees Lacs, unless otherwise stated)

Particulars	Amount
Capital Reserve	
As at 1 April, 2016	3,311.78
Changes during the period	-
As at 31 March, 2017	3,311.78
Changes during the period	-
As at 31 March, 2018	<u>3,311.78</u>
Total other equity at	
As at 31 March, 2018	(1,630.27)
As at 31 March, 2017	(1,152.28)
As at 01 April, 2016	(231.02)

Note 13 : Financial Liabilities

	Non-Current			Current		
	31 March 2018	31 March 2017	01 April 2016	31 March 2018	31 March 2017	01 April 2016
Borrowings						
Term Loans (secured)						
- From Finance Companies	906.28	498.84	564.12	-	-	-
Unsecured loan						
- From Related Party- holding Company	755.73	819.73	410.73	-	-	-
Total borrowings	1,662.01	1,318.57	974.85	-	-	-

1. Details of Borrowings of Term Loans

Type of loan	Loan outstanding as on 31st March 2018			Security	Rate of interest	Repayment terms	Default
	Long Term Borrowings	Current Maturities	Total				
a) Term loans - (secured) - Tata Capital Finance	267.44	19.05	286.49	Secured by 1st charge on residential immovable property of relative of director of the company.	10.50%-12.50%	Repayable in 120 monthly installments commencing from 09/09/2017.	Nil
b) Term loans - (secured) - India Bulls	638.84	37.83	676.67	secured by 1st charge on immovable assets of the company	10.50%-12.50%	Repayable in 120 monthly installments commencing from 05/02/2018.	Nil
	906.28	56.88	963.16				

- 2) Unsecured loan from Holding Company namely Goodworth Build Invest Private Limited is a non-interest bearing loan and there are no stipulations with regard to repayment of principle of the loan.

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NOTES TO IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2018 Contd.

(Amount in Rupees Lacs, unless otherwise stated)

	Non-Current			Current		
	31 March 2018	31 March 2017	01 April 2016	31 March 2018	31 March 2017	01 April 2016
Note 14 : Trade Payables						
Trade payables						
Dues of Micro and Small Enterprises	-	-	-	-	-	-
Dues to others	-	-	-	574.17	425.99	380.17
Total	-	-	-	574.17	425.99	380.17
Note 15 : Other Financial Liabilities						
Current maturities of long term debts	-	-	-	56.88	66.51	58.01
Interest Accrued But Not Due	-	-	-	7.78	5.48	6.04
Provision for expenses/ Employess dues payable	-	-	-	122.73	47.33	39.12
Total	-	-	-	187.39	119.32	103.17
Note 16 : Other Current liabilities						
Advance from Customers	-	-	-	161.01	4.15	33.52
Statutory Dues Payable	-	-	-	15.20	22.12	26.27
Total	-	-	-	176.21	26.27	59.79
Note 17 : Provisions						
Provision for employee benefits						
Provision for Paid leaves	-	-	-	5.71	5.71	5.41
Total	-	-	-	5.71	5.71	5.41

Particulars	For the Year ended on 31 March 2018	For the Year ended on 31 March 2017
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Note 18 : Revenue from operations

Sales *		
Manufacturing Sales	2,020.38	1,870.14
Trading Sales	15.51	87.53
Job Work	435.49	326.53
Total	2,471.38	2,284.20

* Sale of products includes excise duty collected from customer Rs. 9.31 lacs (31st March, 2017 Rs. 89.82 lacs) Consequent upon implementation of Goods and Service Tax (GST) Act w.e.f. 1st July, 2017 sales excludes GST. Accordingly sales for the year ended 31st March, 2018 is not comparative with previous year.

Note 19 : Other Income

Service Charges	0.96	0.54
Interest income		
- Bank Deposit	2.20	4.49
- Others	0.16	0.23
Reversal of excess provision	0.15	0.67
Gain on foreign currency rate difference	18.09	15.99
Total	21.56	21.92

NOTES TO IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2018 Contd.

(Amount in Rupees Lacs, unless otherwise stated)

Particulars	For the Year ended on 31 March 2018	For the Year ended on 31 March 2017
Note 20 : Cost of materials consumed		
Raw Material-CCTV	1,342.45	1,295.56
Raw Material-DVR	482.92	332.66
Others	156.76	81.66
Total	<u>1,982.13</u>	<u>1,709.88</u>
Note 21 : Changes in inventories of finished goods, stock in trade		
Closing stock		
- Finished Goods	103.47	49.34
- Stock in Trade	100.91	22.13
Total-A	<u>204.38</u>	<u>71.47</u>
Opening stock		
- Finished Goods	49.34	120.88
- Stock in Trade	22.13	479.43
Total-B	<u>71.47</u>	<u>600.31</u>
Net (Increase)/decrease in inventory Total (B-A)	<u>(132.91)</u>	<u>528.84</u>
Note 22 : Employee benefit expense		
Salary, wages, bonus and allowance*	466.64	421.33
Total	<u>466.64</u>	<u>421.33</u>
* Including managerial remuneration.	42.04	41.84
Note 23 : Finance Cost		
Interest on debts and borrowings calculated using the effective interest method	103.86	83.57
Others	8.12	-
Total	<u>111.98</u>	<u>83.57</u>
Note 24 : Depreciation and amortization expense		
Depreciation of property, plant and equipment	86.09	76.01
Amortisation of intangible assets	4.24	4.24
Total	<u>90.33</u>	<u>80.25</u>
Note 25 : Other expenses		
Power & Fuel	58.13	51.14
Packing & Forwarding Charges	27.57	29.12
Repair & Maintenance		
- Buildings	-	-
- Machinery	8.68	9.55
- Other	5.25	4.02
AGM Expenses	2.64	3.34
Auditor's Remuneration		
- As Audit Fee	1.20	1.38
- For Other matters	0.15	0.37

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NOTES TO IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2018 Contd.

(Amount in Rupees Lacs, unless otherwise stated)

Particulars	For the Year ended on 31 March 2018	For the Year ended on 31 March 2017
Legal & Professional Expenses	13.02	30.73
Claims paid	100.00	-
Bad Debts Written Off	7.21	-
Electricity Expense	1.21	0.91
Communication Expense	7.74	8.60
Rent Expenses	3.49	7.68
Development Charges	-	0.56
Advertisement & Sales Promotion Expenses	7.35	4.36
Sales Tax	0.64	1.73
Rates & Taxes	1.63	1.28
Filing Expenses	0.07	0.05
Bank Charges	0.26	0.47
Printing & Stationary	2.99	2.89
Provision for Doubtful Debt	14.00	16.59
Insurance Exp	1.04	1.11
Travelling & Conveyance Expense	56.49	25.40
Security Charges	10.76	11.86
Vehicle Running & Maintenance Expenses	5.46	4.27
Miscellaneous Expenses	9.77	9.02
Total	<u>346.75</u>	<u>226.43</u>

Note -26

Earning per share

Basic and Diluted EPS amounts are calculated by dividing the profit for the year attributable to equity holders of the company by the weighted average number of Equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders of the company by the weighted average number of Equity shares outstanding during the year plus the weighted average number of Equity shares that would be issued on conversion of all the dilutive potential Equity shares into Equity shares.

The following reflects the income and share data used in the basic and diluted EPS computations:

Particulars	31 March 2018	31 March 2017
Profit attributable to equity holders of the Company:		
Continuing operations	(477.99)	(921.26)
Discontinued operations	-	-
Profit attributable to equity holders for basic earnings	(477.99)	(921.26)
Dilution effect	-	-
Profit attributable to equity holders adjusted for dilution effect	<u>(477.99)</u>	<u>(921.26)</u>
Weighted Average number of equity shares used for computing Earning Per Share (Basic & Diluted) *	78,355,800	78,355,800

* There have been no other transactions involving Equity shares or potential Equity shares between the reporting date and the date of authorisation of these financial statements.

Earning Per Share - Continuing operations

Basic	(0.61)	(1.18)
Diluted	(0.61)	(1.18)
Face Value per equity share	1.00	1.00

NOTES TO IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2018 Contd.

(Amount in Rupees Lacs, unless otherwise stated)

Note -27

Dues to Micro and Small Enterprises

The dues to Micro and Small Enterprises as required under the Micro, Small and Medium Enterprises Development Act, 2006 to the extent information available with the company is given below:

Particulars	Rs in Lakhs		
	March 31, 2018	March 31, 2017	April 1, 2016
(a) The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year			
Principal amount due to micro and small enterprises	-	-	-
Interest due on above	-	-	-
(b) The amount of interest paid by the buyer in terms of section 16 of the MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	-	-	-
(c) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act, 2006.	-	-	-
(d) The amount of interest accrued and remaining unpaid at the end of each accounting year.	-	-	-
(e) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act, 2006	-	-	-

#The details of amounts outstanding to Micro and Small Enterprises under the Micro, Small and Medium Enterprises Development Act, 2006 are as per available information with the Company.

Note -28

Segment Reporting

The business activity of the company falls within one broad business segment viz. "Manufacturing of electronic items and rendering related Job work services" and substantially sale of the product/services is within the country. The Gross income and profit from the other segment is below the norms prescribed in Ind AS 108 Hence the disclosure requirement of Indian Accounting Standard 108 of "Segment Reporting" issued by the Institute of Chartered Accountants of India is not considered applicable.

Note -29

Related party disclosures

Names of related parties and description of relationship

Name of the related party	Relationship
Goodworth Build Invest Pvt. Ltd.	Holding Company
Shri R.K. Gupta	Key Managerial Person (Chairman & Whole Time Director)
Shri Arvind Sharma	Key Managerial Person (Managing Director)
Shri Varun Gupta	Key Managerial Person (Whole Time Director)

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NOTES TO IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2018 Contd.

(Amount in Rupees Lacs, unless otherwise stated)

Transactions during the year:	31-Mar-18	31-Mar-17	
A Holding Company			
Amount Borrowed (Net)	(64.00)	409.00	
Reimbursement of Expenses	0.39	-	
B Key Managerial Personnel			
Remuneration & Other Benefits Paid			
Shri R.K. Gupta	17.54	17.84	
Shri Arvind Sharma	18.60	18.60	
Shri Varun Gupta	5.40	5.40	
C Balance as at end of the year			
	31-Mar-18	31-Mar-17	1-Apr-16
Holding Company - Credit	755.73	819.73	410.73

Terms and conditions of transactions with related parties

Transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured. There have been no guarantees provided or received for any related party receivables or payables.

Note: 30

Fair hierarchy

All financial instruments for which fair value is recognised or disclosed are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is insignificant to the fair value measurements as a whole.

Level 1 : quoted (unadjusted) prices in active markets for identical assets or liabilities.

Level 2 : valuation techniques for which the lowest level inputs that has a significant effect on the fair value measurement are observable, either directly or indirectly.

Level 3 : valuation techniques for which the lowest level input which has a significant effect on fair value measurement is not based on observable market data.

31. Fair values

Set out below, is a comparison by class of the carrying amounts and fair value of the Company's financial instruments.

	Carrying value			Fair value		
	As at 31 March 2018	As at 31 March 2017	As at 01 April 2016	As at 31 March 2018	As at 31 March 2017	As at 01 April 2016
Financial assets						
Security Deposit	2.55	2.55	-	2.55	2.55	-
Loans to related party	13.18	8.61	8.14	13.18	8.61	8.14
Cash and cash equivalents	16.67	17.74	24.18	16.67	17.74	24.18
Other Bank Deposits	62.41	60.43	56.40	62.41	60.43	56.40
Trade receivable	421.87	436.36	501.05	421.87	436.36	501.05
Other financial assets	7.39	1.00	2.31	7.39	1.00	2.31
Total	524.07	526.69	592.08	524.07	526.69	592.08

NOTES TO IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2018 Contd.

(Amount in Rupees Lacs, unless otherwise stated)

	Carrying value			Fair value		
	As at 31 March 2018	As at 31 March 2017	As at 01 April 2016	As at 31 March 2018	As at 31 March 2017	As at 01 April 2016
Financial liabilities						
Financial liabilities measured at amortised cost						
Long term borrowings	1,662.01	1,318.57	974.85	1,662.01	1,318.57	974.85
Short term borrowings	-	-	-	-	-	-
Current maturities of long term debt	56.88	66.51	58.01	56.88	66.51	58.01
Trade payables	537.19	423.67	378.51	537.19	423.67	378.51
Creditors for capital expenditures	36.98	2.32	1.66	36.98	2.32	1.66
Creditors for expenses	122.73	47.33	39.12	122.73	47.33	39.12
Oustanding liabilities	-	-	-	-	-	-
Other payables	7.78	5.48	6.04	7.78	5.48	6.04
Total	2,423.57	1,863.88	1,458.19	2,423.57	1,863.88	1,458.19

The management assessed that fair value of short term financial assets and liabilities significantly approximate their carrying amounts largely due to the short term maturities of these instruments. The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The Company determines fair values of financial assets or liabilities by discounting the contractual cash inflows / outflows using prevailing interest rates of financial instruments with similar terms. The initial measurement of financial assets and financial liabilities is at fair value. The fair value of investments in mutual funds is determined using quoted net assets value of the funds. Further, the subsequent measurements of all assets and liabilities (other than investments in mutual funds) is at amortised cost, using effective interest rate method.

The following methods and assumptions were used to estimate the fair values:

- The fair value of the Company's interest bearings borrowings are determined using discount rate that reflects the entity's discount rate at the end of the reporting period. The own non-performance risk as at the reporting period is assessed to be insignificant.
- The fair value of unquoted instruments and other financial assets and liabilities is estimated by discounting future cash flows using rates currently applicable for debt on similar terms, credit risk and remaining maturities.

32. Financial risk management objectives and policies

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

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

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NOTES TO IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2018 Contd.

(Amount in Rupees Lacs, unless otherwise stated)

I. Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk. Financial instruments affected by market risk include, deposits.

The sensitivity analyses of the above mentioned risk in the following sections relate to the position as at 31 March, 2018 and 31 March, 2017.

The analyses exclude the impact of movements in market variables on: the carrying values of gratuity and other post-retirement obligations; provisions; and the non-financial assets and liabilities of foreign operations. The analysis for contingent liabilities is provided in Note 37.

The following assumptions have been made in calculating the sensitivity analyses:

- The sensitivity of the relevant profit or loss item is the effect of the assumed changes in respective market risks. This is based on the financial assets and financial liabilities held at 31 March, 2017 and 31 March, 2016.

A. Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's debt obligations with floating interest rates. However the risk is very low due to negligible borrowings by the Company.

	Increase/decrease in basis points	Effect on profit before tax
		INR In lacs
31-Mar-18		
INR	+50	(3.48)
INR	-50	3.48
31-Mar-17		
INR	+50	(3.00)
INR	-50	3.00

The assumed movement in basis points for the interest rate sensitivity analysis is based on the currently observable market environment, showing a significantly higher volatility than in prior years.

B. Foreign currency sensitivity

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

	Change in USD rate	Effect on profit before tax
		INR in Lacs
31-Mar-18		
	+5%	(3.61)
	-5%	3.61
31-Mar-17		
	+5%	(5.87)
	-5%	5.87

NOTES TO IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2018 Contd.

(Amount in Rupees Lacs, unless otherwise stated)

	Change in JPY rate	Effect on profit before tax
		INR in Lacs
31-Mar-18	+5%	(1.74)
	-5%	1.74
31-Mar-17	+5%	NIL
	-5%	NIL

The movement in the pre-tax effect on profit and loss is a result of a change in the fair value of derivative financial instruments not designated in a hedge relationship and monetary assets and liabilities denominated in INR, where the functional currency of the entity is a currency other than INR.

II. Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and financial institutions.

Credit risk from investments with banks and other financial institutions is managed by the Treasury functions in accordance with the management policies. Investments of surplus funds are only made with approved counterparties who meet the appropriate rating and/or other criteria, and are only made within approved limits. The management continually re-assess the Company's policy and update as required. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through counterparty failure. The maximum credit risk exposure relating to financial assets is represented by the carrying value as at the Balance Sheet date

A. Trade receivables

Customer credit risk is managed by each business unit subject to the Company's established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed based on an extensive credit review and individual credit limits are defined in accordance with this assessment. Outstanding customer receivables are regularly monitored. At the year end the Company does not have any significant concentrations of bad debt risk other than that disclosed in note 8.

An impairment analysis is performed at each reporting date on an individual basis for major clients. The calculation is based on historical data. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets disclosed in Note 32. The Company does not hold collateral as security. The Company evaluates the concentration of risk with respect to trade receivables as low, as its customers are located in several jurisdictions and operate in largely independent markets.

B. Financial instruments and cash deposits

Credit risk from balances with banks and financial institutions is managed by the Company's treasury department in accordance with the Company's policy. Investments of surplus funds are made only with approved counterparties.

III. Liquidity risk

The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdrafts.

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NOTES TO IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2018 Contd.

(Amount in Rupees Lacs, unless otherwise stated)

The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments.

(Rs. In Lacs)

	On demand	Less than 3 months	3 to 12 months	1 to 5 years	> 5 years	Total
years ended 31-Mar-18						
Borrowings*	-	13.60	43.28	308.11	1,353.90	1,718.89
Trade payables	-	574.17	-	-	-	574.17
Other financial liabilities	-	130.51	-	-	-	130.51
	-	718.28	43.28	308.11	1,353.90	2,423.57
Year ended 31-Mar-17						
Borrowings*	-	15.79	50.73	355.13	963.43	1,385.08
Trade payables	-	425.99	-	-	-	425.99
Other financial liabilities	-	52.81	-	-	-	52.81
	-	494.59	50.73	355.13	963.43	1,863.88
As at 1 April 2016						
Borrowings*	-	13.77	44.24	354.90	619.95	1,032.86
Trade payables	-	380.17	-	-	-	380.17
Other financial liabilities	-	45.16	-	-	-	45.16
	-	439.10	44.24	354.90	619.95	1,458.19

* In absolute terms i.e. undiscounted and including current maturity portion

IV. Excessive risk concentration

Concentrations arise when a number of counterparties are engaged in similar business activities, or activities in the same geographical region, or have economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. Concentrations indicate the relative sensitivity of the Company's performance to developments affecting a particular industry.

33 Capital Management

The objective of the Company's capital management structure is to ensure that there remains sufficient liquidity within the Company to carry out committed work programme requirements. The Company monitors the long term cash flow requirements of the business in order to assess the requirement for changes to the capital structure to meet that objective and to maintain flexibility. The Company manages its capital structure and makes adjustments to it, in light of changes to economic conditions. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital, issue new shares for cash, repay debt, put in place new debt facilities or undertake other such restructuring activities as appropriate. No changes were made in the objectives, policies or processes during the year ended 31 March, 2018. The Company has Rs. 1,718.89 Lakhs borrowings as at 31 March, 2018 (31 March, 2017: Rs. 1,385.08 Lakhs).

	At 31-Mar-18	At 31-Mar-17	At 1-Apr-16
Total Liabilities	2,605.49	1,895.86	1,523.39
Less: Cash and short term deposits	16.67	39.24	45.68
Net debts (A)	2,588.82	1,856.62	1,477.71
Total Equity (B)	(846.61)	(368.62)	552.64
Capital and net debt	1,742.21	1,488.00	2,030.35
Gearing rate (A/B)	1.49	1.25	0.73

NOTES TO IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2018 Contd.

(Amount in Rupees Lacs, unless otherwise stated)

34 First time adoption of Ind AS

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

Accordingly, the Company has prepared financial statements which comply with Ind AS applicable for periods ending on 31 March, 2018, together with the comparative period data as at and for the year ended 31 March, 2017, as described in the summary of significant accounting policies. In preparing these financial statements, the Company's opening balance sheet was prepared as at 1 April, 2016, the Company's date of transition to Ind AS. This note explains exemptions availed by the Company in restating its Previous GAAP financial statements, including the balance sheet as at 1 April, 2016 and the financial statements as at and for the year ended 31 March, 2017.

Exemptions applied:

1. Mandatory exceptions;

a) Estimates

The estimates at 1 April, 2016 and at 31 March, 2017 are consistent with those made for the same dates in accordance with Previous GAAP (after adjustments to reflect any differences in accounting policies) apart from the following items where application of Previous GAAP did not require estimation:

- Impairment of financial assets based on expected credit loss model The estimates used by the Company to present these amounts in accordance with Ind AS reflect conditions at 1 April, 2016, the date of transition to Ind AS and as of 31 March, 2017.

b) De-recognition of financial assets:

The company has applied the de-recognition requirements in Ind AS 109 prospectively for transactions occurring on or after the date of transition to Ind AS.

c) Classification and measurement of financial assets:

i. Financial Instruments:

Financial assets like security deposits received and security deposits paid, has been classified and measured at amortised cost on the basis of the facts and circumstances that exist at the date of transition to Ind ASs. Since, it is impracticable for the Company to apply retrospectively the effective interest method in Ind AS 109, the fair value of the financial asset or the financial liability at the date of transition to Ind As by applying amortised cost method, has been considered as the new gross carrying amount of that financial asset or the financial liability at the date of transition to Ind AS.

d) Impairment of financial assets: (Trade receivables and other financial assets)

At the date of transition to Ind ASs, the Company has determined that there significant increase in credit risk since the initial recognition of a financial instrument would require undue cost or effort, the Company has recognised a loss allowance at an amount equal to lifetime expected credit losses at each reporting date until that financial instrument is derecognised (unless that financial instrument is low credit risk at a reporting date).

Optional exemptions;

A. Deemed cost-Previous GAAP carrying amount: (PPE and Intangible)

Ind AS 101 permits a first-time adopter to elect to continue with the carrying value for all of its property, plant and equipment as recognised in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition after making necessary adjustments for de-commissioning liabilities. This exemption can also be used for intangible assets covered by Ind AS 38 Intangible Assets and investment property covered by Ind AS 40 Investment Properties.

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NOTES TO IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2018 Contd.

(Amount in Rupees Lacs, unless otherwise stated)

Accordingly, the company has elected to measure all of its property, plant and equipment, intangible assets and investment property at their previous GAAP carrying value.

B. Lease:-

Appendix C to Ind AS 17 requires an entity to assess whether a contract or arrangement contains a lease. In accordance with Ind AS 17, this assessment should be carried out at the inception of the contract or arrangement. Ind AS 101 provides an option to make this assessment on the basis of facts and circumstances existing at the date of transition to Ind AS, except where the effect is expected to be not material.

The company has elected to apply this exemption for such contracts/arrangements.

C. Business combinations:

Ind AS 101 allows a first-time adopter not to apply Ind AS 21 Effects of changes in Foreign Exchange Rates retrospectively for business combinations that occurred before the date of transition to Ind AS. In such cases, where the entity does not apply Ind AS 21 retrospectively to fair value adjustments and goodwill, the entity treats them as assets and liabilities of the acquirer entity and not as the acquiree.

The company has elected to apply this exemption.

35 Reconciliation of equity as at 01 April, 2016

Particulars	Indian GAAP As at 1 April 2016	Ind AS adjustments	Ind AS As at 1 April 2016
I. ASSETS			
(1) Non-current assets			
(a) Property, Plant and Equipment	518.98	-	518.98
(b) Capital work-in-progress	-	-	-
(c) Intangible Assets	17.34	-	17.34
(d) Financial Assets			-
(i) Investments	-	-	-
(ii) Loans & advances		(2.55)	2.55
(iii) Other	6.95	(49.45)	56.40
(e) Other non-current assets	56.40	16.49	39.91
(2) Current assets			
(a) Inventories	872.79	-	872.79
(b) Financial assets			
(i) Cash and cash equivalents	24.18	-	24.18
(ii) Other bank balances	-	(21.50)	21.50
(iii) Loans & advances	78.34	76.03	2.31
(iv) Other financial assets	-	(8.14)	8.14
(c) Other current assets	506.22	495.34	10.88
(d) Current Tax Assets (Net)	-	-	-
TOTAL	2,081.20	5.17	2,076.03

NOTES TO IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2018 Contd.

(Amount in Rupees Lacs, unless otherwise stated)

Particulars	Indian GAAP As at 1 April 2016	Ind AS adjustments	Ind AS As at 1 April 2016
II. EQUITY AND LIABILITIES			
(1) Equity			
(a) Equity Share capital	783.66	-	783.66
(b) Other Equity	(232.13)	(1.11)	(231.02)
(2) Non-current liabilities			
(a) Financial Liabilities			
(i) Long-term borrowings	981.12	6.27	974.85
(b) Provisions	-	-	-
(3) Current liabilities			
(a) Financial Liabilities			
(i) Borrowings	-	-	-
(ii) Trade Payables	377.14	(3.03)	380.17
(iii) Other financial liabilities	-	(103.17)	103.17
(b) Other current liabilities	166.00	106.21	59.79
(c) Provisions	5.41	-	5.41
(d) Current Tax Liabilities (Net)	-	-	-
TOTAL	2,081.20	5.17	2,076.03

Reconciliation of equity as at 31 March, 2017

Particulars	Indian GAAP As at 31 March 2017	Ind AS adjustments	Ind AS As at 31 March 2017
I. ASSETS			
(1) Non-current assets			
(a) Property, Plant and Equipment	499.56	-	499.56
(b) Capital work-in-progress	-	-	-
(c) Intangible Assets	13.75	-	13.75
(e) Financial Assets	-	-	-
(i) Investments	-	-	-
(ii) Loans & advances	89.57	87.02	2.55
(iii) Other	-	(60.43)	60.43
(f) Other non-current assets	60.43	(59.74)	120.17
(2) Current assets			
(a) Inventories	331.45	(0.01)	331.46
(b) Financial Assets			
(i) Trade and other receivables	440.85	4.49	436.36
(ii) Cash and cash equivalents	17.74	-	17.74
(ii) Bank Balances Other than (ii) Above	-	(21.50)	21.50
(iii) Loans & advances	78.39	77.39	1.00
(v) Other financial assets	-	(8.61)	8.61
(c) Other current assets	-	(14.11)	14.11
(d) Current Tax Assets (Net)	-	-	-
TOTAL	1,531.74	4.50	1,527.24

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NOTES TO IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2018 Contd.

(Amount in Rupees Lacs, unless otherwise stated)

Particulars	Indian GAAP As at 31 March 2017	Ind AS adjustments	Ind AS As at 31 March 2017
II. EQUITY AND LIABILITIES			
(1) Equity			
(a) Equity Share capital	783.66	-	783.66
(b) Other Equity	(1,152.90)	(0.62)	(1,152.28)
(2) Non-current liabilities			
(a) Financial Liabilities			
(i) Long-term borrowings	1,323.61	5.04	1,318.57
(b) Provisions			
(3) Current liabilities			
(a) Financial Liabilities			
(i) Borrowings	-	-	-
(ii) Trade Payables	413.69	(12.30)	425.99
(iii) Other financial liabilities	157.97	38.65	119.32
(b) Other current liabilities	-	(26.27)	26.27
(c) Provisions	5.71	-	5.71
(d) Current Tax Liabilities (Net)	-	-	-
TOTAL	1,531.74	4.51	1,527.24

Reconciliation of profit or loss for the year ended 31 March, 2017

Particulars	Indian GAAP Year ended 31-Mar-17	GAAP adjustments Year ended 31-Mar-17	Ind AS Year ended 31-Mar-17
Continuing Operations			
I Revenue from operations	2,194.38	(89.82)	2,284.20
II Other Income	21.19	(0.73)	21.92
III Total Revenue (I + II)	2,215.57	(90.55)	2,306.12
IV EXPENSES			
(a) Cost of material consumed	1,709.88	-	1,709.88
(b) Purchase of traded goods	87.26	-	87.26
(c) Changes in inventories of finished goods, stock-in-trade and work in progress	528.84	-	528.84
(d) Excise duty	-	(89.82)	89.82
(e) Employee benefits expense	421.33	-	421.33
(f) Finance costs	82.34	(1.23)	83.57
(g) Depreciation and amortization expense	80.25	-	80.25
(h) Other expenses	226.43	-	226.43
Total Expenses (IV)	3,136.33	(91.05)	3,227.38
V Profit/(loss) after tax from continuing operations (III - IV)	(920.76)	0.50	(921.26)
VI Other comprehensive income			
A(i) Items that will not be recycled to profit or loss	-	-	-
B(i) Items that may be reclassified to profit or loss	-	-	-
VII Total comprehensive income for the period (V + VI)	-	-	-

NOTES TO IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2018 Contd.

(Amount in Rupees Lacs, unless otherwise stated)

Footnotes to the reconciliation of profit or loss for the year ended 31 March, 2017

1 Sale of goods

Under Previous GAAP, sale of goods was presented as net of excise duty. However, under Ind AS, sale of goods includes excise duty. Excise duty on sale of goods is separately presented on the face of statement of profit and loss. Thus sale of goods under Ind AS has increased with a corresponding increase in other expense. There is, however, no impact on profit for the year on account of the same.

2 Re-classification

The company has reclassified previous year figures to conform to Ind AS classification.

In terms of our report of even date annexed.

For APAS & CO.
Chartered Accountants
Firm REGN. No. 000340C

Sd/-
(R. K. GUPTA)
Chairman & WTD
DIN: 00019125

For and on behalf of the board

Sd/-
(ARVIND SHARMA)
Managing Director
DIN: 00012177

Sd/-
(SATISH CHAND)
Director
DIN: 02615736

Place: **New Delhi**
Dated: **06.06.2018**

Sd/-
RAJEEV RANJAN
Partner
M No. 535395

Sd/-
(DINESH K. GUPTA)
CFO
PAN: AFLPG9534M

Sd/-
(KAJAL GUPTA)
Company Secretary
ACS-22785

OTHER NOTES TO ACCOUNTS

36. Previous Year figures have been regrouped or re-casted wherever considered necessary.

37. **A.** Contingent Liabilities not provided for in the books of account:-

(Rs. In Lakhs)

	AS AT 31.03.2018	AS AT 31.03.2017	AS AT 31.03.2016
a) Counter Guarantee issued against outstanding			
- Bank Guarantees	21.00	21.00	21.00
b) Demand under Custom Act	606.47	606.47	610.45
c) Sales Tax disputed demand	86.70	86.70	110.58
d) ESI Demand	44.15	44.15	44.15

B Capital Commitments (net of advances) : NIL NIL 8.23

38. Claim against the Company (not acknowledged as Debts) – **Rs. 65.86 Lakhs** (Previous Year Rs. 41.00 Lakhs). During the year the court has confirmed the claim for which the company negotiating with the bank for settlement. In view of uncertainty no amount has been provided in the books.

39. In the opinion of the Management the Current Assets, Loans and Advances have a value on realization in ordinary course of Business at least equal to the amount at which they are stated in the Balance Sheet, except otherwise stated elsewhere.

40. Balance confirmation certificates from number of parties, included in debtors, creditors and advance recoverable were not available for verification.

41. Taxation

Current Year Tax

In view of the current year losses and unabsorbed losses as per income tax record the Company is not liable to pay tax for the year.

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NOTES TO IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2018 Contd.

(Amount in Rupees Lacs, unless otherwise stated)

Deferred Tax

Keeping in view the unabsorbed losses of the Company in Income Tax records and uncertainty of sufficient profit in the future years, Deferred Tax Asset in accordance with the provisions of Ind-AS 12 on 'Income Taxes' has not been recognized and provided in the accounts.

42. The "Employee Benefits" as required to be provided under Ind AS 19 and the same are accounted for by the company on the basis as enumerated hereunder. The quantum of defined benefit plans are to be valued by an actuary in terms of provisions of the Standard. Disclosures of Employees Benefits provided by the company is as under:-

Defined Contribution Plan:

The Company pays fixed contribution to Provident Fund at predetermined rates to regional authorities as per law. The contribution to the fund for the period is recognized as expense and is charged to the statement of profit & loss. The obligation of the Company is limited to such fixed contribution. An amount of Rs.26.84 Lacs (Previous Year Rs. 29.29 Lacs) has been recognized as expense for defined contribution plan (Contributory Provident Fund).

Defined Benefit Plan:

- a) **Earned Leave Benefit:** Accrual of 20days leave per annum is credited by the Company. Encashment is available at the time of retirement or superannuation. Amount as per entitlement as at the end of the year is recognized as expense. During the year Rs. NIL Lacs (Previous Year Rs. 0.29 Lacs) has been paid/ provided towards leave encashment expenses.
- b) **Gratuity:** The Company has obtained policy from an insurance company towards gratuity benefit. The Company's contribution towards the policy is recognized as expense. During the year Rs. 20.56 Lacs (Previous Year Rs. 10.68 Lacs) has been provided towards the gratuity contribution.
43. Foreign currency exposure not hedged by derivative instrument or otherwise:

Particulars	31-03-2018 (in Lacs)		31-03-2017 (in Lacs)		31-03-2016 (in Lacs)	
		Indian Rupee	US \$	Indian Rupee	US \$	Indian Rupee
Trade Payables/Payable for Capex	USD 1.11 JPY 56.67	72.15 34.70	1.62	105.24	0.12	7.95
Capital Advance	0	0	1.30	87.01	0	0
Trade Receivables/advance recoverable	0	0	0.18	12.14	1.11	73.39

For and on behalf of the board

For APAS & CO.
Chartered Accountants
Firm REGN. No. 000340C

Sd/-
(R. K. GUPTA)
Chairman & WTD
DIN: 00019125

Sd/-
(ARVIND SHARMA)
Managing Director
DIN: 00012177

Sd/-
(SATISH CHAND)
Director
DIN: 02615736

Place: **New Delhi**
Dated: **06.06.2018**

Sd/-
RAJEEV RANJAN
Partner
M No. 535395

Sd/-
(DINESH K. GUPTA)
CFO
PAN: AFLPG9534M

Sd/-
(KAJAL GUPTA)
Company Secretary
ACS-22785

VINTRON INFORMATICS LIMITED

CIN: L72100DL1991PLC045276

Regd. Office: F-90/1A, Okhla Industrial Area, Phase-I, New Delhi-110020

Ref: VIL\SEC\SHCR\SEBI-Cir-20-04-18\1819.08

Date: - August 31, 2018

Sub: Seeking Copy of PAN Card, Bank Details, Email id & Phone Nos of Shareholders

Dear Sir / Madam,

In terms of SEBI circular No. SEBI/HO/MIRSD/DOP1/CIR/P/2018/73 dated 20-04-2018; the Company is required to obtain copy of PAN Card, Bank details, Email id and Mobile / Telephone No from all the shareholders holding shares in physical form. Accordingly you are requested to kindly furnish self-attested copy of your PAN Card and original cancelled " Name printed Cheque" falling which copy of Bank Passbook / Statement attested by the Bank alongwith the details mentioned in Annexure "A" below.

You may send the above details latest by 30th September, 2018 to the Company's Registrar & Share Transfer Agent (RTA), **M/s SKYLINE FINANCIAL SERVICES PRIVATE LIMITED** at D-153A, 1st Floor, Okhla Industrial Area, Phase-I, New Delhi – 110 020.

Thanking you,

Yours faithfully,

For Vintron Informatics Limited

Sd/-

(Authorised Signatory)

This is computer generated letter and does not require signature.

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Annexure – A

To,

Skyline Financial Services Pvt. Ltd.

D-153A, 1st Floor

Okhla Industrial Area Phase-I

New Delhi- 110 020

Unit: **VINTRON INFORMATICS LIMITED**

Dear Sir,

I am furnishing here details as required by you, kindly record the same and send us confirmation.

Name of Shareholder			
Folio No			
PAN (Attached Self attested copy)	First Holder	Second Holder	Third Holder
Bank A/c No (Kindly attach name printed cancel cheque / attested copy of passbook)			
Bank name			
Branch Address			
IFSC No			
MICR No			
Email Id			
Mobile / Telephone No			

Name of Shareholder(s)

Signature of Shareholder(s)

- | | |
|---------|---------|
| 1. | 1. |
| 2. | 2. |
| 3. | 3. |

VINTRON INFORMATICS LIMITED

CIN: L72100DL1991PLC045276

Regd. Office: F-90/1A, Okhla Industrial Area, Phase-I, New Delhi-110020

ATTENDANCE SLIP 27TH ANNUAL GENERAL MEETING

I/We hereby certify that I/we am/are the Registered Shareholder/Proxy for the Registered Shareholder of the Company and I/we hereby record my/our presence at the Twenty Seventh Annual General Meeting of the Company to be held on Tuesday, the 25th day of September, 2018 at 10.30 a.m. at F-90/1A, Okhla Industrial Area, Phase-I, New Delhi-110020 and at any adjournment thereof.

Particulars of the member(s)

Name of the Member(s):

Name of the Proxy:

Regd. Folio/DP & Client ID:

No. of Shares Held:

Note:

1. Member(s)/Proxy(s) are requested to please bring this slip duly filled-in and sign the same at the time of handing over at the meeting hall.
2. Authorized Representative(s) of the Corporate Member(s) shall produce the proper authorization issued in their favour.
3. Attendance Slip in photocopy shall not be entertained.
4. No Gift / Coupons shall be distributed to the member(s) attending the meeting.

VINTRON INFORMATICS LIMITED

CIN: L72100DL1991PLC045276

Regd. Office: F-90/1A, Okhla Industrial Area, Phase-I, New Delhi-110020

Form No. MGT-11 PROXY FORM

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

Name of the Member(s):

Registered Address :

E-Mail ID: Folio No./Client ID: DP ID:

I/We, being the Member(s) of the Company, holding equity shares of the above named Company, hereby appoint

1. Name: of failing him
2. Name: of or failing him
3. Name: of

as my/our Proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 27th Annual General Meeting of the Company to be held on **Tuesday, the 25th day of September, 2018 at 10:30 A.M.** at F-90/1A, Okhla Industrial Area, Phase-I, New Delhi-110020 and at any adjournment thereof in respect of such Resolutions as are indicated below:

S. No.	Resolutions	Optional	
		For	Against
1.	Adoption and approval the financial statements, Directors' and Auditors' Report thereon for the financial year ended on 31.03.2018		
2.	Appointment a Director in place of Shri Raj Kumar Gupta (DIN:00019125), who retires by rotation and being eligible offers himself for re-appointment		
3.	Adoption of new set of Articles of Association of the Company		

Signed thisday of.....2018

Signature of the Proxy Holder(s):

Signature of the Shareholder(s)

Affix
Revenue
Stamp

Notes:

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. It is Optional to put 'X' in the appropriate column against the Resolutions indicated in the Box. If you leave the, 'For' or 'Against' column blank against any or all Resolutions, your Proxy will be entitled to vote in the manner as he/she thinks appropriate.
3. Please complete all details including details of Member(s) in above box before submission to the Company.

if undelivered, please return to:

VINTRON INFORMATICS LIMITED

Regd. Office : F-90/1A, Okhla Industrial Area
Phase-1, New Delhi - 110 020

