

KANODIA CEMENT LIMITED

ANNUAL REPORT FOR THE YEAR 2017-18

NOTICE

Notice is hereby given that the **9th Annual General Meeting** of the members of **KANODIA CEMENT LIMITED** will be held at its Registered Office of the company at FLAT NO. 102, MAHALAXMI APPARTMENT, NAVODIT NAGAR TULSIPUR MAHMOORGANJ, VARANASI, Uttar Pradesh-221010 on 30th September, 2018 at 11.00 A.M. to transact the following business.

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Balance Sheet and Profit & Loss Account for the period ended 31st March 2018 and the report of Directors and Auditors thereon.
2. To re-appoint Auditors as to hold office from the conclusion of this meeting to the conclusion of the next Annual General Meeting and fix their remuneration subject to approval by shareholders in the Annual General Meeting of the Company.
3. To appoint a Director in place of Mr. Gautam Kanodia (DIN-01738027) , who retires by rotation and being eligible, offers herself for re-appointment.

NOTES

Member entitled to attend and vote is entitled to appoint a proxy, who need not be a member of the company. Proxies in order to be effective must be received by the company, not less than 48 hours before the meeting.

BY ORDER OF THE BOARD OF DIRECTORS

Vishal Kanodia

**VISHAL KANODIA
CHAIRMAN
DIN-00946204**

**PLACE: VARANASI
DATED: 29.08.2018**

NOTES:

1. The relevant Explanatory Statement pursuant to section 102 (1) of the Companies Act, 2013, in respect of Special Business at the meeting, is annexed hereto and forms part of this notice.
2. A member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of himself and the proxy need not be a member. Proxies in order to be effective must be received by the company not later than forty eight (48) hours before the meeting. Proxies submitted on behalf of limited companies, societies, etc., must be supported by appropriate resolutions/authority, as applicable.
3. A person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than 10% of the total share capital of the company. In case a proxy is proposed to be appointed by a member holding more than 10% of the total share capital of the company carrying voting rights, then such proxy shall not act as a proxy for any other person or shareholder.
4. Members are requested to bring their attendance slips duly completed and signed mentioning therein details of their Folio No.
5. Corporate Members intending to send their authorized representatives to attend the Meeting pursuant to Section 113 of the Companies Act, 2013 are requested to send to the Company, a certified copy of the relevant Board Resolution together with their respective specimen signatures authorizing their representative(s) to attend and vote on their behalf at the Meeting.
6. Relevant documents referred to in the accompanying Notice and in the Explanatory Statements are open for inspection by the Members at the Company's Registered Office on all working days of the Company, during business hours up to the date of the Meeting.
7. Members seeking any information with regard to the Accounts are requested to write to the Company at an early date, so as to enable the Management to keep the information ready at the meeting.
8. The Ministry of Corporate Affairs has taken a "Green Initiative in the Corporate Governance" by allowing paperless compliances by the companies and has issued circulars stating that service of notice/documents including Annual Report can be sent by e-mail to its members. To support this green initiative of the Government in full measure, members are requested to register their e-mail addresses with the company. The Notice of the AGM along with the Annual Report 2014 is being sent by electronic mode to those Members whose e-mail addresses are registered with the Company, unless any Member has requested for a physical copy of the same. For Members who have not registered their e-mail addresses, physical copies are being sent by the permitted mode.

BY ORDER OF THE BOARD OF DIRECTORS

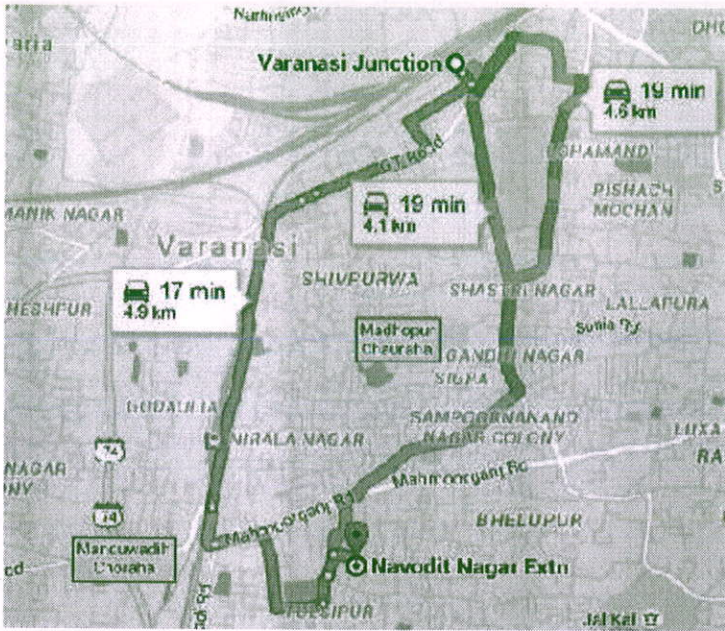
V2Shal Kanodia

**VISHAL KANODIA
CHAIRMAN
DIN-00946204**

PLACE: VARANASI

DATED: 29.03.2018

Map of Registered office



(Railway Station to Registered office)

Vishal Kanodia

**VISHAL KANODIA
CHAIRMAN
DIN-00946204**

DIRECTOR'S REPORT

To,

The Members,
Kanodia Cement Limited

Your Directors have pleasure in presenting their Annual Report on the business and operations of the Company and the accounts for the Financial Year ended March 31, 2018.

1. Financial summary or highlights/Performance of the Company.

The Summary of the Financial Statements of the Company are as:-

(in Rs.)

Summary of Financial Result	Amount as on 2017-2018	Amount as on 2016-2017
Income	1,181,171,998.34	91,51,42,721.12
Expenses	1,126,242,063.60	89,84,95,677.09
Profit/(Loss) before depreciation	54,929,934.74	1,66,47,044.03
Less: Depreciation	11,417,677.81	10,907,534.13
Profit after depreciation	43,512,256.93	5,355,356.90
Provision for Tax	10,476,278.00	1,020,463.00
Provision for Deferred Tax Asset/(Liability)	2,601,227.00	1,654,806.00
Profit/(Loss) After Dep. & Tax	40,911,029.93	3,700,550.90

2. Dividend

Directors have not recommended any dividend on Equity Shares of the company for the period under review.

3. Reserves

The Board proposes to carry forward Rs.84,519,922.02 to the reserves account maintained by the Company.

4. Brief description of the Company's working during the year/State of Company's affair

Review of operations was conducted during the financial year which was found satisfactory by the management of the company. The Board discussed the matter and framed new strategies to expand the business of the company in the near future.

5. Change in the nature of business, if any

There are no material changes in the nature of business of the company during the financial year under scrutiny.

6. Material changes and commitments, if any, affecting the financial position of the company which have occurred between the end of the financial year of the company to which the financial statements relate and the date of the report

There are no material changes affecting the financial position of the business of the company during the financial year under scrutiny.

7. Deposits

No deposit has been accepted by the Company during the financial year under scrutiny.

8. Statutory Auditors

M/s DWIVEDI GUPTA & CO, Chartered Accountants, Auditors of the Company being eligible offers themselves for re-appointment till the conclusion of the next Annual General Meeting, subject to approval by shareholders in the Annual General Meeting of the Company.

9. Auditors' Report

The explanations or comments by the Board on every qualification, reservation or adverse remark or disclaimer made by the auditor in his report shall be given.

10. Extract of the annual return

The extract of the annual return in Form No. MGT -9 shall form part of the Board's report.

11. Conservation of energy, technology absorption and foreign exchange earnings and outgo

The details of conservation of energy, technology absorption, foreign exchange earnings and outgo are as follows:

A) Conservation of energy:

The company has taken all measures for conservation of energy.

(B) Technology absorption

The company has taken all measures for conservation of energy.

(C) Foreign exchange earnings and Outgo:

The Foreign Exchange earned in terms of actual inflows during the year and the Foreign Exchange outgo during the year in terms of actual outflows is as :

(Rs. In lacs)

Particulars	2017-18	2016-17
Foreign Exchange Earning	NIL	NIL
Foreign Exchange outgo	NIL	NIL

12. Directors:

A) Changes in Directors and Key Managerial Personnel

There was no change in the composition of Directors & Key Managerial Personnel during the financial year under scrutiny.

13. Declaration Of Independent Directors

The Independent Directors have submitted their disclosures to the Board that they fulfill all the requirements as stipulated in Section 149(6) of the Companies Act, 2013 so as to qualify themselves to be appointed as Independent Directors under the provisions of the Companies Act, 2013 and the relevant rules.

14. Number of meetings of the Board of Directors.

There were Fifteen meetings of Board of Directors being convened under the financial year complying with the requirement of Section 173 of the Companies Act 2013.

15. Particulars of loans, guarantees or investments under section 186.

There being no loan, guarantees or investments, provided by the Company under section 186 of the Companies Act 2013 during the financial year under scrutiny.

16. Particulars of contracts or arrangements with related parties:

There being no item in the particulars of contract or arrangements that needs to be entered into by the Company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013.

17. Company's Policy Relating To Directors Appointment, Payment Of Remuneration And Discharge Of Their Duties

The Company made Policy relating to appointment of Directors, payment of Managerial remuneration, Directors' qualifications, positive attributes, independence of Directors and other related matters as provided under Section 178(3) of the Companies Act, 2013.

18. Subsidiaries, Joint Ventures And Associate Companies

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

19. Risk management policy

The management of the Company has framed the risk management policy for the Company including identification of the elements of risk. Further there is no material risk which in the opinion of the Board might threaten the existence of the company.

20. Details Of Policy Developed And Implemented By The Company on its Corporate Social Responsibility Initiatives

The Company has not developed and implemented any Corporate Social Responsibility initiatives as the said provisions are not applicable.

21. Directors' Responsibility Statement

The Directors' Responsibility Statement referred to in clause (c) of sub-section (3) of Section 134 of the Companies Act 2013, shall state that—

- (a) The company in the preparation of the annual accounts has followed the applicable accounting standards along with proper explanation relating to material departures.
- (b) The directors of the company 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 or loss of the company for that period.
- (c) The directors of the company had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 and 2013 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities.
- (d) the directors had prepared the annual accounts on a going concern basis;

(e) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

22. Disclosure Of Composition Of Audit Committee And Providing Vigil Mechanism

The Audit Committee consists of the following members :

a. Mr. Sandeep Kumar Khemka, Director,

b. Mr. Umesh Chand, Director,

c. Mr. Vishal Kanodia , Managing Director

The above composition of the Audit Committee consists of independent Directors viz.,

Mr. Sandeep Kumar Khemka and Mr. Umesh Chand who form the majority.

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

23. Acknowledgements

An acknowledgement to all with whose help, cooperation and hard work the Company is able to achieve the results.

BY ORDER OF THE BOARD OF DIRECTORS

Vishal Kanodia

PLACE: VARANASI
DATED :29.08.2018

VISHAL KANODIA
CHAIRMAN
DIN-00946204

**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	U36912UP2009PLC037903
2.	Registration Date	03/08/2009
3.	Name of the Company	KANODIA CEMENT LIMITED
4.	Category/Sub-category of the Company	Company limited by shares
5.	Address of the Registered office & contact details	FLAT NO. 102, MAHALAXMI APPARTMENT NAVODIT NAGAR TULSIPUR MAHMOORGANJ VARANASI, Uttar Pradesh-221010
6.	Whether listed company	No
7.	Name, Address & contact details of the Registrar & Transfer Agent, if any.	N.A

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)

S. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1	Cement Manufacturing	26939	100%
2			
3			

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES [No. of Companies for which information is being filled]

Sl. No.	Name and address of the company	CIN/GLN	HOLDING/ SUBSIDIARY/ ASSOCIATE	% of shares held	Applicable Section
1.	N/A	N/A	N/A	N/A	N/A

2. Non-Institutions									
a) Bodies Corp.	-				-				-
i) Indian	-	680160	680160	66.00%	-	-	-	-	-
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals	-	-	-	-	-	-	-	-	-
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	-				-	-	-	-	-
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	-	174130	174130	16.90%	-	174130	174130	16.90%	-
c) Others (specify)	-	-	-	-	-	-	-	-	-
Non Resident Indians	-	-	-	-	-	-	-	-	-
Overseas Corporate Bodies	-	-	-	-	-	-	-	-	-
Foreign Nationals	-	-	-	-	-	-	-	-	-
Clearing Members	-	-	-	-	-	-	-	-	-
Trusts	-	75000	75000	7.28%	-	75000	75000	7.28%	-
Foreign Bodies - D R	-	-	-	-	-	-	-	-	-
Sub-total (B)(2):-	-	929290	929290	90.19%	-	249130	249130	24.18%	-
Total Public Shareholding (B)=(B)(1)+(B)(2)	-	929290	929290	90.19%	-	249130	249130	24.18%	-
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	-	1030400	1030400	100%	-	1030400	1030400	100%	-

B) Shareholding of Promoter-

SNo	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	Vishal Kanodia	6750	0.66%	-	346831	33.66%	-	33.00%
2	Khushboo Kanodia	11450	1.11%	-	11450	1.11%	-	-
3	Gautam Kanodia	10700	1.04%	-	350779	34.04%	-	33.00%
4	Ashok Kumar Kanodia	21655	2.10%	-	21655	2.10%	-	-
5	Manju Devi Kanodia	21150	2.05%	-	21150	2.05%	-	-
6	Ashok Kanodia (HUF)	16955	1.65%	-	16955	1.65%	-	-
7	Vishal Kanodia (HUF)	12450	1.21%	-	12450	1.21%	-	-

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

S.No	Particulars	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	101110	9.81%	-	-
	Increase in Promoters Shareholding during the year -	-	-	-	-
	At the end of the year	781270	75.82%	-	-

D) Shareholding Pattern of top ten Shareholders:

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

SN	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year				
1-	Vishal Kanodia	6750	0.66	346831	33.66
2-	Khushboo Kanodia	11450	1.11	11450	1.11
3-	Gautam Kanodia	10700	1.04	350779	34.04
4-	Ashok Kumar Kanodia	21655	2.10	21655	2.10
5-	Manju Devi Kanodia	21150	2.05	21150	2.05

6-	Ashok Kanodia (HUF)	16955	1.65	16955	1.65
7-	Vishal Kanodia (HUF)	12450	1.21	12450	1.21
8-	NupurKanodia Beneficiary Trust	75000	7.28	75000	7.28
9-	Swati Kanodia	174130	16.90	174130	16.90
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	N.A	N.A	28.02.2018 (Share Transfer)	28.02.2018 (Share Transfer)
	At the end of the year	350240	34%	1030400	100%

E) Shareholding of Directors and Key Managerial Personnel:

SN	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
	Name of the Director/KMP				
1.	VISHAL KANODIA	6750	0.65	346831	33.66
2.	GAUTAM KANODIA	10700	1.04	350779	34.04
3.	MANJU DEVI KANODIA	21150	2.052	21150	2.05

V)INDEBTEDNESS-Indebtedness of the Company including interest outstanding/accrued but not due for payment.

	Secured Loans excluding deposits	Unsecured Loans-	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	48,283,735	42,283,500	-	90,567,235
ii) Interest due but not paid	-	-	-	
iii) Interest accrued but not due	-	-	-	
Total (i+ii+iii)	48,283,735	42,283,500	-	90,567,235
Change in Indebtedness during the financial year				
* Addition	13,353,356.20	-	-	13,353,356.20
* Reduction	-	1,721,098	-	1,721,098
Net Change	13,353,356.20	1,721,098	-	15074454.20
Indebtedness at the end of the financial year				
i) Principal Amount	61,637,091.20	40,562,402	-	102199493.2
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	61,637,091.20	40,562,402	-	102199493.2

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL-

A. Remuneration to Managing Director-VISHAL KANODIA

SN.	Particulars of Remuneration	Name of MD-VISHAL KANODIA	Total Amount
1	Gross salary	4,50,000	4,50,000
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	NIL	NIL
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	NIL	NIL
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	NIL	NIL
2	Stock Option	NIL	NIL
3	Sweat Equity	NIL	NIL
4	Commission - as % of profit - others, specify...	NIL	NIL
5	Others, please specify	NIL	NIL
	Total (A)	4,50,000	4,50,000
	Ceiling as per the Act	2,04,555.15	2,04,555.15

B. Remuneration to other directors

SN.	Particulars of Remuneration	Name of Directors		Total Amount
		SANDEEP KUMAR KHEMKA	UMESH CHAND	
1	Independent Directors			
	Fee for attending board committee meetings	28,000	28,000	-
	Commission	-	-	-
	Others, please specify	-	-	-
	Total (1)	28,000	28,000	-
2	Other Non-Executive Directors			-
	Fee for attending board committee meetings	-	-	-
	Commission	-	-	-
	Others, please specify	-	-	-
	Total (2)	-	-	-
	Total (B)=(1+2)	28,000	28,000	-
	Total Managerial Remuneration			
	Overall Ceiling as per the Act			

**C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD
(Rs. in Lacs)**

SN	Particulars of Remuneration	Key Managerial Personnel
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		CEO	CS	CFO	Total
1	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	4.92	4.68	9.60
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-	-
2	Stock Option	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission	-	-	-	-
	- as % of profit	-	-	-	-
	others, specify...	-	-	-	-
5	Others, please specify	-	-	-	-
	Total	-	4.92	4.68	9.60

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:- NOT APPLICABLE

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

BY ORDER OF THE BOARD OF DIRECTORS

VJ Shal Kanodia

**Place : VARANASI
Date: 29.08.2018**

**VISHAL KANODIA
CHAIRMAN
DIN-00946204**

DWIVEDI GUPTA & CO.
Chartered Accountants

Ph:(o) 0542-2502525,2502424
(m) 09415203012,9415224202
(fax): 0542-2502525
E.mail : skdvns@gmail.com

H.O:C-1, Vishwanath Kunj, D.I.G Colony,M.A. Road, Varanasi-221002

Independent Auditor's Report

To the Members of **M/s KANODIA CEMENT LTD**

Report on the Financial Statements:

We have audited the accompanying financial statements of **M/s KANODIA CEMENT LIMITED** ("the Company"), which comprise the Balance Sheet as at March 31, 2018, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information..

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

Auditor's Responsibility:

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



Contd....2/-

B.O.:1. Sharda Sadan, Metro complex Lane, Behind OBC, Kutchery Road, Ranchi-01 (m) 9433115646
2. 29 A, Sova Bazar Street, 1st Floor, Kolkata-700005 Ph.:(o) 033-25541197, (m) 09433115646
3. I-660, Govindpuram, Near Gaur Square Hapur Road, Ghaziabad-201003, Ph:(m) 9910352424

(2)

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

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

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

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

Opinion

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

Report on Other Legal and Regulatory Requirements:

1. As required by the Companies (Auditor's Report) Order, 2017 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable



(3)

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 financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e) On the basis of the written representations received from the directors as on 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) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company does not have any pending litigations which would impact its financial position.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company

PLACE: VARANASI
DATED: 29.08.2018

For DWIVEDI GUPTA & CO.
Chartered Accountants
Firm Reg. No. 012584C



Vivek Anand Mohan
(PARTNER)
M.NO.-407188

ANNEXURE 'A'

**THE ANNEXURE REFERRED TO IN PARAGRAPH 1 OF OUR REPORT ON "OTHER
LEGAL AND REGULATORY REQUIREMENTS".**

We report that:

- i. (a) The company has maintained proper records showing full particulars including quantitative details and situation of its fixed assets.
- (b) As explained to us, fixed assets have been physically verified by the management at reasonable intervals; no material discrepancies were noticed on such verification.
- (c) The Title needs of immovable properties are held in the name of the company.
- ii. (a) As explained to us, inventories have been physically verified during the year by the management at reasonable intervals. No material discrepancy was noticed on physical verification of stocks by the management as compared to book records.
- iii. The company has granted loans to following parties covered in the register maintained under section 189 of the Companies Act, 2013 wherein the balance receivable as at the year-end is Rs. 2,26,50,000.00.

S.No.	Name	Outstanding as on 31.03.2018	Maximum Outstanding during the year
1.	Kanodia Infra Developers Pvt Ltd	2,26,50,000	2,26,50,000.00
2.	Blue Star Cement Limited	0.00	3,20,44,406.00
3.	DurgaShree Bricks Pvt Ltd	0.00	3,67,99,757.88

The terms of arrangement do not stipulate any repayment schedule and the loans are repayable on demand with interest

- iv. In respect of loans, investments, guarantees, and security, provisions of section 185 and 186 of the Companies Act, 2013 has been complied with.
- v. The company has not accepted any deposits from the public covered under sections 73 to 76 of the Companies Act, 2013.
- vi. As per information & explanation given by the management, maintenance of cost records has not been specified by the Central Government under sub-section (1) of section 148 of the the Companies Act, 2013.
- vii. (a) According to the records of the company, undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income-tax, Sales-tax, Service Tax, Custom Duty, Excise Duty, value added tax, cess and any other statutory dues to the extent applicable, have generally been regularly deposited with the appropriate authorities.



- viii. According to the information and explanations given to us there were no outstanding statutory dues as on 31st of March, 2018 for a period of more than six months from the date they became payable.
- (b) According to the information and explanations given to us, there is no amount payable in respect of income tax, service tax, sales tax, customs duty, excise duty, value added tax and cess whichever applicable, which have not been deposited on account of any disputes.
- ix. In our opinion and according to the information and explanations given by the management we are of the opinion that, the Company has not defaulted in repayment of dues to a financial institution, bank, Government or debenture holders, as applicable to the company.
- x. Based on our audit procedures and according to the information given by the management, the company has not raised any money by way of initial public offer or further public offer or further public offer (including debt instruments) or taken any term loan during the year.
- xi. According to the information and explanations given to us, we report that no fraud by the company or any fraud on the Company by its officers or employees has been noticed or reported during the year.
- xii. According to the information and explanations given to us, we report that managerial remuneration has been paid in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act.
- xiii. The company is not a Nidhi Company. Therefore clause xii) of the order is not applicable to the company.
- xiv. According to the information and explanations given to us, all transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the Financial Statements etc. as required by the applicable accounting standards.
- xv. The company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review.
- xvi. The company has not entered into non-cash transactions with directors or persons connected with him.
- xvii. The company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

PLACE: VARANASI
DATED: 29.08.2018

For DWIVEDI GUPTA & CO.
Chartered Accountants
Firm Reg. No. 012584C



Vivek Anand Mohan
Vivek Anand Mohan
(PARTNER)
M.NO.-407188

ANNEXURE 'B'

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

We have audited the internal financial controls over financial reporting of **M/s KANODIA CEMENT LIMITED** ("the Company") as of March 31, 2018 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

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



We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that

1. Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
2. Provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting
3. Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 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.

PLACE: VARANASI
DATED: 29.08.2018

For DWIVEDI GUPTA & CO.
Chartered Accountants
Firm Reg. No. 012584C




Vivek Anand Mohan
(PARTNER)
M.NO.:407188

M/S KANODIA CEMENT LIMITED
BALANCE SHEET AS AT 31ST MARCH, 2018

FLAT NO. 102, MAHALAXMI APPARTMENT NAVODIT NAGAR, TULSIPUR MAHMOORGANJ VARANASI UP 221010 INDIA

(CIN NO.: U36912UP2009PLC037903)

Email ID: kanodiacementlimited@gmail.com

Mob.No.:9555925100

(Amt. in Rs.)

Particulars	Note no.	Figures as at the end of the CRP	Figures as at the end of the PRP
I. EQUITIES AND LIABILITIES :			
(1) Shareholder's Fund :	1		
a) Share Capital		103,040,000.00	103,040,000.00
b) Reserve & Surplus		84,519,922.02	39,607,554.13
c) Money received against share warrants		-	-
(2) Share application money pending allotment	2	-	-
(3) Non-current Liabilities	3		
a) Long-term borrowings		101,764,508.20	90,567,235.00
b) Deferred tax Liabilities(Net)		10,633,899.48	8,032,672.48
c) Other Long term liabilities		55,100,000.00	87,100,000.00
d) Long term Provisions		-	-
(4) Current Liabilities	4		
a) Short term Borrowings		62,596,973.80	12,610,081.80
b) Trade Payable		43,457,140.12	94,984,338.21
c) Other current liabilities		132,664,758.63	129,808,148.78
d) Short term provisions		10,476,278.00	1,020,463.00
TOTAL :		604,253,480.25	566,770,493.40
II. ASSETS			
(1) Non current Assets			
a) Fixed Assets:	5		
(i) Tangible Assets		262,844,484.04	247,544,447.42
(ii) Intangible Assets		-	-
(iii) Capital work in Progress		118,908,287.51	137,595,349.81
(iv) Intangible assets under development		-	-
(b) Non-current Investments		8,062,332.30	-
(c) Deferred Tax assets(Net)		-	-
(d) Long term loans and advances		-	-
(e) Other non current assets		25,262,433.00	8,644,709.00
(2) Current Assets	6		
(a) Current Investments		-	-
(b) Inventories		22,391,105.87	42,910,850.21
(c) Trade receivables		72,930,207.40	110,195,804.05
(d) Cash & cash equivalents		37,585,788.06	9,988,953.02
(e) Short-term loans and advances		45,802,177.08	8,297,734.89
(f) Other current assets		10,466,664.99	1,592,645.00
TOTAL :		604,253,480.25	566,770,493.40
NOTES ON ACCOUNT:	16	-	-

AUDITOR'S REPORT:

(As per our report of even date attached)

For DWIVEDI GUPTA & CO

Chartered Accountants

FRN 0012584C

Vivek Anand Mohan

(PARTNER)

M No 407188

PLACE : VARANASI

DATED : 29/08/2018

Akhilesh Kumar

Yadav

(CFO)

Abhishek Saxena

(Company

Secretary)

For and on behalf of the Board of Directors

Kanodia Cement Limited

Vishal Kanodia

Vishal Kanodia

(DIRECTOR)

DIN: 946204

For Kanodia Cement Limited

Gautam Kanodia

Gautam Kanodia

(DIRECTOR)

DIN: 01738027

M/S KANODIA CEMENT LIMITED
PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH 2018

FLAT NO. 102, MAHALAXMI APPARTMENT NAVODIT NAGAR, TULSIPUR MAHMOORGANJ VARANASI UP 221010 INDIA
(CIN NO.: U36912UP2009PLC037903)

Email ID: kanodiacementlimited@gmail.com

Mob.No.:9555925100
(Amt. in Rs.)

Particulars	Note no.	Figures as at the end of the CRP	Figures as at the end of the PRP
I. Revenue from Operations	7	1,227,109,256.20	1,030,049,015.57
Less: Excise duty		46,795,813.33	115,893,710.75
Net Revenue from Operation		1,180,313,442.87	914,155,304.82
II. Other Income	8	858,555.47	987,416.30
III. Total Revenue (I+II) :		1,181,171,998.34	915,142,721.12
IV. Expenses			
Cost of Raw Materials Consumed	9	894,872,724.35	702,628,058.08
Purchase of Stock- In-Trade	10	105,450,748.20	87,878,890.27
Changes in inventories of finished goods work-in-progress and Stock-in-Trade	11	-	4,245,066.87
Employee Benefit Expenses	12	2,286,977.00	2,048,019.00
Financial Expenses	13	2,943,561.20	9,807,114.00
Depreciation and Amortization Expenses	14	11,417,677.81	10,907,534.13
Other Expenses	15	120,688,052.85	91,888,528.87
Total Expenses		1,137,659,741.41	909,403,211.22
V Profit before exceptional & extraordinary items an	(III-IV)	43,512,256.93	5,739,509.90
VI Exceptional Items		-	384,153.00
VII Profit before extraordinary items and tax	(V-VI)	43,512,256.93	5,355,356.90
VIII Extraordinary Items		-	-
IX Profit before tax	(VII-VIII)	43,512,256.93	5,355,356.90
X Tax Expenses			
1) Current Tax		10,476,278.00	1,020,463.00
2) Deferred Tax		2,601,227.00	1,654,806.00
3) Mat Credit		(10,476,278.00)	(1,020,463.00)
XI Profit(Loss) from the period from continuing oper:	(IX-X)	40,911,029.93	3,700,550.90
XII Profit(Loss) from the period from discontinuing operations		-	-
XIII Tax expenses of discontinuing operations		-	-
XIV Profit/(Loss) from Discontinuing operation	(XII-XIII)	-	-
XV Profit/(Loss) for the period	(XI+XIV)	40,911,029.93	3,700,550.90
XVI Earning per equity share:			
1) Basic		39.70	3.59
2) Diluted		39.70	3.59

NOTES TO ACCOUNT:

16

AUDITOR'S REPORT:

(As per our report of even date attached)

For DWIVEDI GUPTA & CO

Chartered Accountants
FRN 0012584C

Vivek Anand Mohan
(PARTNER)
M No 407188

PLACE : VARANASI
DATED : 29/08/2018

Akhilesh Kumar
Yadav
(CFO)

Abhishekh Saxena
(Company
Secretary)

For and on behalf of the Board of Directors

Vishal Kanodia

Vishal Kanodia
(DIRECTOR)
DIN: 946204

Gautam Kanodia

Gautam Kanodia
(DIRECTOR)
DIN: 01738027

M/S KANODIA CEMENT LIMITED
NOTE FORMING PART OF ACCOUNTS AS AT 31ST MARCH, 2018

PARTICULARS	CRP	PRP
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NOTE-1:

a) SHARE CAPITAL

AUTHORISED SHARE CAPITAL:

1050,000 equity shares of Rs. 100/- each	105,000,000.00	105,000,000.00
PY 1050,000 equity shares of Rs. 100/- each		

SHARE HOLDER'S FUND :

ISSUED, SUBSCRIBED & PAID UP:

1030400 equity shares of Rs. 100/- each	103,040,000.00	103,040,000.00
(PY 1030400) equity shares of Rs. 100/- each		
	103,040,000.00	103,040,000.00

RECONCILIATION OF SHARES

	2017-18		2016-17	
	NO.	AMOUNT	NO.	AMOUNT
Opening Balance	1,030,400	103,040,000.00	1,030,400.00	103,040,000.00
Add: Issued during the year	-	-	-	-
Add: Right & bonus Issue during the	-	-	-	-
Closing Balance	1,030,400	103,040,000.00	1,030,400.00	103,040,000.00

LIST OF SHAREHOLDER HAVING 5% OR MORE SHARES

	NUMBER	%	NUMBER	%
Nupoor Kanodia Beneficiary Trust	75,000	7.28	75,000.00	7.28
Maharaja Retailers Pvt. Ltd	-	-	376,715.00	36.56
Sargam Dealers Pvt. Ltd	-	-	303,445.00	29.45
Vishal Kanodia	346,831	33.66		
Gautam Kanodia	350,779	34.04		
Swati Kanodia	174,130	16.90		

b) RESERVE & SURPLUS:

Security Premium Reserve	(A)	25,760,000.00	25,760,000.00
Profit & Loss Account			
Opening Balance		13,847,554.09	10,385,507.19
Add: Profit for the Period		40,911,029.93	3,700,550.90
Add: Mat Credit Adjustment		4,541,446.00	-
Less :Prior Period Items		-	(225,394.00)
Less: Taxes of Previous Year		(88,729.00)	(12,710.00)
Less: Interest on TDS		(113,584.00)	(400.00)
Less: Excise Penalty		(337,795.00)	-
	(B)	-	13,847,554.09
TOTAL :(A+B)		-	84,519,922.02

c) MONEY RECEIVED AGAINST SHARE WARRENTS:

TOTAL :

	-	-	-
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M/S KANODIA CEMENT LIMITED
NOTE FORMING PART OF ACCOUNTS AS AT 31ST MARCH, 2018

PARTICULARS	CRP	PRP
NOTE-2:		
SHARE APPLICATION MONEY:	-	-
NOTE-3:		
a) LONG TERM BORROWINGS:.		
<i>Secured Loan:</i>		
Term Loan - from Allahabad Bank	-	9,741,735.00
(Secured by (I) Equitable mortgage of Factory Land & Building, (ii) Hypo. of entire Fixed Assets, and also secured by personal guarantee of the Directors)		
Less: Current Maturities of Long Term Debt	-	-
UPFC (WCTL 2011-12)25/07/2013	16,444,000.00	16,444,000.00
(Secured by second charge on the properties on which Allahabad Bank has first charge.)		
UPFC (WCTL) 2012-13 24/02/2014	22,098,000.00	22,098,000.00
(Secured by second charge on the properties on which Allahabad Bank has first charge.)		
HDFC Loan	23,095,091.20	-
(Secured by charge on Truck)		
Less: Current Maturities of Long Term Debt	(434,985.00)	
<i>Unsecured Loan:</i>		
From Body Corporates	38,450,402.00	38,381,500.00
From Director & Their Relatives	2,112,000.00	3,902,000.00
	-	
	<u>101,764,508.20</u>	<u>90,567,235.00</u>
b) DEFERRED TAX LIABILITIES(NET)	<u>10,633,899.48</u>	<u>8,032,672.48</u>
c) OTHER LONG TERM LIABILITIES		
Real Value Agrotech Project Pvt Ltd	-	33,500,000.00
Rinam Delmark Pvt Ltd	53,600,000.00	53,600,000.00
Chaudhary Transport - Security Deposit	1,500,000.00	-
	<u>55,100,000.00</u>	<u>87,100,000.00</u>
d) LONG TERM PROVISIONS	-	-
NOTE-4:		
a) SHORT TERM BORROWING		
Working Capital Loan - from Allahabad Bank 1	62,596,973.80	12,610,081.80
(Secured by Hypothecation of stock and book debts and collaterally secured by :		
I) Equitable mortgage of the Factory Land and Building, (ii) Hypothecation of plant & machinery and (iii) Personal guarantee of the directors		
TOTAL :	<u>62,596,973.80</u>	<u>12,610,081.80</u>



M/S KANODIA CEMENT LIMITED
NOTE FORMING PART OF ACCOUNTS AS AT 31ST MARCH, 2018

PARTICULARS	CRP	PRP
b) TRADE PAYABLES (Creditors)		
Sundry Creditors for Supplies	15,730,205.24	66,523,232.44
Sundry Creditors for Expenses	27,726,934.88	28,461,105.77
	-	-
	43,457,140.12	94,984,338.21
c) OTHER CURRENT LIABILITIES		
Advances from Customers	-	124,353,759.00
EPF Payable	24,624.00	25,477.00
ESIC Payable	7,241.00	7,254.00
VAT Payable	-	4,846,200.63
CST Payable	-	310,001.15
TDS/TCS Payable	149,467.00	117,331.00
Service tax Payable	-	148,080.00
KCC/SBC Payable	-	46.00
Current Maturity of Long Term Loan	434,985.00	-
Axis Bank C/a (Overdraft)	118,717,472.79	-
GST Payable	13,330,968.84	-
	132,664,758.63	129,808,148.78
d) SHORT TERM PROVISIONS		
Provision for Income tax	10,476,278.00	1,020,463.00
	10,476,278.00	1,020,463.00
NOTE-5:		
(a) Fixed Assets		
(i) Tangible Assets	262,844,484.04	247,544,447.42
(ii) Intangible Assets		
(iii) Capital work in Progress	118,908,287.51	137,595,349.81
(iv) Intangible assets under development (As per separate sheet annexed)		
(b) Non -current Investments		
Unquoted Shares	-	
Quoted Shares	8,062,332.30	
	8,062,332.30	-
(c) Deferred Tax assets(Net)		
	-	-
(d) Long term loans and advances		
	-	-
NOTE-6:		
(e) Other non current assets		
Security deposit	9,224,246.00	7,624,246.00
Mat Credit	16,038,187.00	1,020,463.00
	25,262,433.00	8,644,709.00
	25,262,433.00	8,644,709.00

TOTAL :(A)



M/S KANODIA CEMENT LIMITED

SCHEDULES FORMING PART OF THE FINAL ACCOUNTS FOR THE PERIOD ENDED ON 31st March 2018

NOTE-5

FIXED ASSETS	GROSS BLOCK				DEPRECIATION			NET BLOCK	
	As on 31.03.2017	Additions during the year	Sales/ Transfer	As on 31.03.2018	As on 31.03.2017	During the Period	As on 31.03.2018	As on 31.03.2017	As on 31.03.2018
Land Freehold	24,721,135.00			24,721,135.00	-	-	-	24,721,135.00	24,721,135.00
Land Leasehold	583,720.00			583,720.00				583,720.00	583,720.00
Land Leasehold	4,914,642.00			4,914,642.00				4,914,642.00	4,914,642.00
Factory Building	108,514,524.47			108,514,524.47	20,566,069.62	3,300,242.82	23,866,312.44	84,648,212.03	87,948,454.85
Plant & Machinery	155,066,428.08	1,016,950.00	236,074.00	155,847,304.08	35,891,302.20	5,578,593.40	41,469,895.60	114,377,408.48	119,175,125.88
Electrical Installation	13,590,958.00	240,000.00		13,830,958.00	6,051,993.51	1,373,320.21	7,425,313.72	6,405,644.28	7,538,964.49
JCB Machine & Tipper	3,637,574.00			3,637,574.00	1,958,384.67	499,103.72	2,457,488.39	1,180,085.61	1,679,189.33
Computer	120,508.00	620,300.00		740,808.00	114,483.00	109,155.17	223,638.17	517,169.83	6,025.00
Furniture & Fixture	147,263.00			147,263.00	61,081.32	13,849.31	74,930.63	72,332.37	86,181.68
Vehicle	943,555.00	1,467,533.00	268,644.53	2,142,443.47	566,437.00	189,714.80	756,151.80	1,386,291.67	377,118.00
Office Equipment	89,693.00			89,693.00	85,208.00	-	85,208.00	4,485.00	4,485.00
Genset	737,568.00			737,568.00	228,161.85	47,252.82	275,414.67	462,153.33	509,406.15
Diesel Tank		368,000.00		368,000.00		498.06	498.06	367,501.94	-
Truck		23,509,650.00		23,509,650.00		305,947.50	305,947.50	23,203,702.50	-
TOTAL : (A)	313,067,568.55	27,222,433.00	504,718.53	339,785,283.02	65,523,121.17	11,417,677.81	76,940,798.98	262,844,484.04	247,544,447.38
WIP									
New Project	137,595,349.81	140,148.00	18,827,210.30	118,908,287.51	-	-	-	118,908,287.51	137,595,349.81
TOTAL : (B)	137,595,349.81	140,148.00	18,827,210.30	118,908,287.51	-	-	-	118,908,287.51	137,595,349.81
Grand Total :-	450,662,918.36	27,362,581.00	19,331,928.83	458,693,570.53	65,523,121.17	11,417,677.81	76,940,798.98	381,752,771.55	385,139,797.19
PY	430,920,440.93	19,742,472.43	-	450,662,918.36	54,615,587.00	10,907,534.13	65,523,121.13	385,139,797.23	376,304,853.93



M/S KANODIA CEMENT LIMITED
NOTE FORMING PART OF ACCOUNTS AS AT 31ST MARCH, 2018

PARTICULARS	CRP	PRP
MISCELLANEOUS EXPENDITURE:		
(To the extent not w/o or adjusted)		
Preliminary Expenses	-	-
Less: W/off during the year	-	-
TOTAL :(B)	-	-
TOTAL (A+B)	25,262,433.00	8,644,709.00
NOTE-7:		
a) CURRENT INVESTMENTS:		
-		
b) INVENTORIES:		
(As taken, valued and Certified by the Management)		
Raw Material	21,816,977.53	42,364,418.41
Consumable Inventory	574,128.34	546,431.80
TOTAL :	22,391,105.87	42,910,850.21
c) TRADE RECEIVABLES:		
Exceeding Six Months		
Unsecured, Considered Good	36,803,841.00	32,634,510.00
Not Exceeding Six Months		
Unsecured, Considered Good	36,126,366.40	77,561,294.05
TOTAL :	72,930,207.40	110,195,804.05
d) CASH & BANK BALANCES:		
Cash in Hand (As certified by the Management)		
Cheque In hand	400,921.60	819,249.60
Balance with Scheduled Banks:		
Allahabad Bank C/a	5,010,212.46	11,165.60
Bank of India C/a	-	5,006.87
HDFC Bank	110,000.00	100,000.00
Axis Bank C/a	-	3,352,608.95
FD with HDFC Bank	26,000,000.00	-
FDR for BG	6,064,654.00	5,700,922.00
TOTAL :	37,585,788.06	9,988,953.02
e) SHORT TERM LOANS & ADVANCES:		
(Advance recoverable in cash or kind or for value to be received)		
Advance to Suppliers	22,560,701.71	2,145,662.97
Other Advances	23,241,475.37	4,668,196.00
VAT Advance	-	60,468.92
Excise Duty Receivable (incl Cess & H E Cess)	-	1,067,487.00
Service Tax Receivable	-	355,920.00
TOTAL :	45,802,177.08	8,297,734.89



M/S KANODIA CEMENT LIMITED
NOTE FORMING PART OF ACCOUNTS AS AT 31ST MARCH, 2018

PARTICULARS	CRP
f) OTHER CURRENT ASSETS :	
Prepaid Expenses	1,116,834.00 803,916.00
Advance Income Tax	9,000,000.00 700,000.00
TDS & TCS Receivable	272,966.00 88,729.00
Advance for Investment	76,864.99 -
	10,466,664.99 1,592,645.00
NOTE-8:	
TURNOVER:	
Sales	1,072,854,148.30 774,041,522.02
Sales Others	107,459,294.57 140,113,782.80
Excise Duty (Incl of E CESs & H E Cess)	46,795,813.33 115,893,710.75
TOTAL :	1,227,109,256.20 1,030,049,015.57
NOTE-9:	
OTHER INCOME:	
TPC Commission	- 4,575.00
Rent	2,300.00 -
Interest from Electricity Department	443,113.46 357,000.00
Intt on FDR with Allahabad Bank	- 481,173.00
Income from Investment in Shares	665.40 -
Rebate & Discount	8,268.00 144,668.30
Interest on BG Margin	404,148.00
Round Off	60.61
	858,555.47 987,416.30
NOTE-10:	
RAW MATERIALS CONSUMED:	
Opening Stock	42,364,418.41 59,650,097.03
Add:	
Purchases	609,635,907.99 479,906,197.49
Freight	264,689,375.48 205,436,181.97
	916,689,701.88 744,992,476.49
Less: Closing Stock:	21,816,977.53 42,364,418.41
CONSUMED :	894,872,724.35 702,628,058.08
NOTE-11:	
PURCHASE OF STOCK-IN-TRADE:	
	105,450,748.20 87,878,890.27
	105,450,748.20 87,878,890.27
NOTE-12:	
CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN -TRADE :	
Opening Stock	- 4,245,066.87
	- 4,245,066.87
Closing Stock	- -
	- -



M/S KANODIA CEMENT LIMITED
NOTE FORMING PART OF ACCOUNTS AS AT 31ST MARCH, 2018

PARTICULARS	CRP	PRP
INCREASE/(DECREASE) IN STOCK	-	(4,245,066.87)
NOTE-13:		
EMPLOYEES BENEFIT EXPENSES :		
Salaries and wages	2,041,600.00	1,792,642.00
Bonus	73,059.00	77,578.00
Contribution to Provident Fund & Other Fund	172,318.00	177,799.00
	<u>2,286,977.00</u>	<u>2,048,019.00</u>
NOTE-14:		
FINANCIAL EXPENSES :		
Interest on Cash Credit A/c	2,586,251.00	7,294,798.00
Interest on Term Loan	357,310.20	2,512,316.00
TOTAL :	<u>2,943,561.20</u>	<u>9,807,114.00</u>
NOTE-15:		
DEPRECIATION AND AMORTIZATION EXPENSES:		
Depreciation	11,417,677.81	10,907,534.13
TOTAL :	<u>11,417,677.81</u>	<u>10,907,534.13</u>
NOTE-16:		
OTHER EXPENSES	-	-
MANUFACTURING EXPENSES:		
Power & Fuel	90,103,463.00	88,187,678.00
Stores and Consumables Consumed	22,164,610.37	1,862,133.35
Plant Repair & Maintenance	56,135.00	131,993.00
Lab Sample	-	23,946.00
Excise Duty	2,251,969.00	-
TOTAL :(A)	<u>114,576,177.37</u>	<u>90,205,750.35</u>



M/S KANODIA CEMENT LIMITED
NOTE FORMING PART OF ACCOUNTS AS AT 31ST MARCH, 2018

PARTICULARS	CRP	PRP
ADMINISTRATIVE EXPENSES:		
Auditor Remuneration	45,000.00	41,300.00
Audit Fees	15,000.00	11,800.00
Tax Audit Fees	10,000.00	9,440.00
Company Law Matters	15,000.00	14,160.00
I. T. Matters	506,000.00	-
Directors Remuneration	7,601.00	21,450.00
Vehicle & DG Set running & Maintenance	165,441.00	84,334.00
Insurance Charges	-	3,400.00
Interest on Late Payment of Taxes and Statutory Dues	293,125.34	153,255.01
Legal, Filing & Professional Expenses	989,731.00	440,178.00
Licence Renewal Fees & Charges	636,050.25	204,000.00
PP Bag Expenses	-	47,949.02
Bad Debts	1,263,684.21	382,449.18
Bank Charges	181,000.38	177.31
Miscellaneous Expenses	14,682.00	12,260.00
Printing, Postage & Stationary	174,302.00	-
Electricity and Water Expense	372,730.00	122,900.00
Duties & Taxes	102,226.00	106,776.00
Service tax, KKC & SBC	1,175,000.00	12,000.00
Rent	3,468.00	14,950.00
R & D	21,803.00	-
Telephone Expense	98,644.53	-
Loss on Sale of Car	21,386.77	-
Loss on Sales of Shares	-	-
TOTAL :(B)	6,111,875.48	1,682,778.52
PRELIMINARY EXPENSES WRITE OFF:	-	-
TOTAL(A+B+C)	120,688,052.85	91,888,528.87



M/s KANODIA CEMENT LIMITED**ACCOUNTING POLICIES & NOTES ON ACCOUNTS****Note No. : 16****A. Accounting Policies****1. General :-**

Accounting Policies not specifically referred to otherwise be consistent and in consonance with generally accepted accounting principles.

2. Revenue Recognition :-

Expenses and Income considered payable and receivable respectively are accounting for on accrual basis.

3. Fixed Assets :-

Fixed assets are stated at their original cost of acquisition including taxes freight and other incidental expenses related to acquisition and installation of the concerned assets less depreciation till date.

4. Depreciation :-

Consequent to enforcement of Companies Act, 2013, the Depreciation on fixed assets has been provided as per Schedule II of the said Act taking into account the useful life of the assets as given in the schedule.

5. Investments :-

Investments are stated at cost.

6. Inventories :-

Inventories are valued as under:-

1. Inventories : Lower of cost or net realizable value
2. Scrap : At net realizable value.

7. Miscellaneous Expenditure :-

Company does not have any miscellaneous expenditure.

Contd...2/-



(2)

8. Excise Duty :-

Excise duty is charged on ad-voluerum basis and is accounted for when the goods are cleared from factory site.

9. Taxes on Income:-

Provision for current tax is made on the basis of estimated taxable income for the current accounting year in accordance with the Income Tax Act, 1961. The deferred tax for timing differences between the book and tax profits for the year is accounted for, using the tax rates and laws that have been substantively enacted as of the balance sheet date. Deferred tax assets arising from timing differences are recognised to the extent there is reasonable certainty that these would be realised in future.

(B) Notes on Accounts

1. The SSI status of the creditors is not known to the company; hence the information is not given.
2. Directors Remuneration provided during the current financial year Rs. 5,06,000(PY- Nil)
3. Sundry Creditors, Sundry Debtors, Loans & Advances and Unsecured Loans have been taken at their book value subject to confirmation and reconciliation.
4. Consumption of consumables and raw material has been arrived by adding purchases to Opening Stock and deducted closing stock there from.

5. Payments to Auditors:-

Auditors Remuneration	2017-2018	2016-2017
Audit Fees	45000.00	35000.00
Tax Audit Fees	15000.00	10000.00
Company Law Matters	10000.00	8000.00
I.T Matters	15000.00	12000.00
Others		
Service Tax		11700.00
Total	85000	72450.00



(3)

6. Loans and Advances are considered good in respect of which company does not hold any security other than the personal guarantee of persons.
7. Excise duty has not been taken into account for valuation of finished goods looking at factory site in view of accounting policy No. 9. The same has no impact on Statement of Profit and Loss.
8. No Provision for leave encashment has been made, in view of accounting policies no. 8. The impact of the same on Profit & Loss is not determined.
9. Advance to others includes advances to concerns in which directors are interested:

	Current Year	Previous Year
Name of Concern	Closing Balance	Closing Balance
Durga Shree Bricks Pvt Ltd	0.00	0.00

10. Related Party disclosure

(A) Related Parties and their Relationship

(I) Key Management Personnel

1. Vishal kanodia
2. Gautam kanodia
3. Manju Devi Kanodia
4. Sandeep Kumar Khemka
5. Girija Shanker Shukla
6. Akhilesh Kumar Yadav
7. Abhishek Saxena

(II) Relative of Key Management Personnel

1. Pooja Poddar
2. Ashok Kumar Kanodia
3. Ashok Kumar Kanodia HUF
4. Khushboo Kanodia
5. Swati Kanodia

Sl No	Name of Related Party	Relation	Nature of Transaction	Current Year (Rs)	Previous Year (Rs)
A.	Gautam kanodia	Director	Advance Given and received back Deposit Received		500000.00 1830000.00
B.	Manju Devi kanodia	Director	Deposit received		282000.00
C.	Vishal kanodia	Managing Director	Advance Given and Received Back Deposit Received Deposit Repaid	1790000.00	500000.00 2290000.00 500000.00



(4)

E.	Kanodia Infratech limited	Associate company	Purchase Deposit Received Deposit Repaid	26950000.00 49600000.00	471934.00 504447293.00 360977338.00
F.	Durga Shree Bricks Pvt Ltd	Associate company	Sale Fly Ash Rent Deposit Received Deposit Repaid Purchase Clinker Purchase consumables	43563001.00 103811815.00 50119520.60 8639382.00	1341560.00 12000.00 238284513.00 237686560.00
G	Material Cargo Services Private Limited	Associate Company	Advance Given and Received Back		210000.00
H	Blue star Cement Limited	Associate Company	Sale Clinker Deposit Received Material Handling Charges Deposit Repaid	7578896.00 27491461.00 368627.00 26239042.00	

11. Other income include Following

Nature of Income	As at 31.03.2018	As at 31.03.2017
Commodity Income		30004526.04
Interest On FDR		481173.00
Interest from Electricity Department	443113.46	357000.00
Interest on BG Margine	404148.00	
Rent	2300.00	
Income from Investment in shares	665.40	
Rebate and Discount	8268.00	

12. Major components of Deferred tax

Particulars	As at 31.03.2018 (Rs.)	As at 31.03.2017 (Rs.)
A) Deferred Tax Liability	1,06,33,899.48	8032672.48
B) Deferred Tax Assets	-	-
Net Deferred Tax liabilities/ (assets) (A-B)	1,06,33,899.48	8032672.48



DWIVEDI GUPTA & CO.**Continuation Sheet**

(5)

**QUANTITATIVE DETAILS OF OPENING STOCK TURNOVER, PRODUCTION/
PURCHASES, CLOSING STOCK**

Current Year- CEMENT

Particulars	Qty (Pcs)	Total (Amount)
Opening Stock	0	0.00
Production	260779.14	99,31,99,729.44
Receipt for replacement	0.00	0.00
Sales/Dispatch	260779.14	1,07,28,54,128.30
Rejections/Samples	0.00	0.00
Closing Stock	0	0.00

Previous Year- CEMENT

Particulars	Qty (Pcs)	Total (Amount)
Opening Stock	1015.480	4245066.87
Production	207433.105	758190390.35
Receipt for replacement	0.00	0.00
Sales/Dispatch	208448.585	775026587.42
Rejections	0.00	0.00
Closing Stock	0.00	0.00

13. RAW MATERIAL CONSUMED

Particulars	Quantity (Qty 'Nos')	Amount (Rs.)	2017	
			Quantity (Qty 'Nos')	Amount (Rs.)
	2018		2017	
Clinker (MT)	2,37,098.38 1	85,27,24,534.1 6	189574.63	648,041,549.46
Fly Ash (MT)	15,633.343	1,01,14,953.01	17273.83	6253787.15
Gypsum(MT)	4,226.757	30,38,242.13	3829.65	2383184.93
PP Bag(No.)	32,08,351.0	2,89,94,995.05	3645699	45949536.55

14. % of imported & indigenous raw material & consumables

	2018		2017	
	%	Amount	%	Amount
Imported	0.00	0.00	0.00	0.00
Indigenous	0.00	0.00	0.00	0.00



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15. Value of Imports

Raw Material	Nil	Nil
Finished Goods	Nil	Nil

16. Expenditure in Foreign Currency

Nil Nil

17. Earning in Foreign Exchange

Nil Nil

18. Previous year figures have been regrouped /rearranged wherever necessary.

Signature to notes 1 to 18

In terms of Our Separate Audit Report of Even Date Attached.

For DWIVEDI GUPTA & CO.,
Chartered Accountants
FRN:0012584C



PARTNER
M.No.:407188



For AND ON BEHALF OF THE
BOARD

For Kanodia Cement Limited For Kanodia Cement Limited
PLACE: VARANASI
DATED: 24.07.2017 v2shel Kanodia Gautam Kanodia

Director/Authorized Signatory

Director/Authorized Signatory

DIRECTOR

DIRECTOR