

ANNUAL REPORT 2018-19

GODHA CABCON & INSULATION LTD

(Previously known as Godha Cabcon & Insulation Pvt. Ltd.)



INDEX

Sr No.	Particulars	Page No.
1.	Corporate Information	
2.	Notice of Annual General Meeting	
3.	Director's Report	
4.	Certification by Managing Director/Chief Financial Officer	
5.	Annexure to Director's Report	
6.	Statutory Audit Report	
7.	Financial Statements	
8.	Road Map of venue of AGM	
9	Attendance Slip and Proxy Form	

CORPORATE INFORMATION

Board of Directors

Mr. Dipesh Godha (CEO Cum Executive Director)
DIN:07529876

Mrs. Rupali Godha (Executive Director)
DIN:07530189

Mrs. Madhu Godha (Executive Director)
DIN:07607783

Mr. Kamaljeet Singh Ajimal (Independent Director)
DIN:07889436

Mr. Ravish Kandhari (Independent Director)
DIN: 03332533

Chief Financial Officer & Company Secretary

Mr. Kapil Verma (Chief Financial Officer)

Mrs. Shivani Gupta (Company Secretary cum Compliance Officer)

Auditors

S.K. Khandelwal & Associates

Statutory Auditor

Deepak Patil & Co.

Secretarial Auditor

Banker

Union Bank of India

Registrar & Share Transfer Agent

Karvy Computershare Pvt. Ltd. | Karvy Selenium
Tower B, Plot number 31 & 32 | Financial District
Gachibowli | Hyderabad 500 032 | India

Notice

Notice is hereby given that the 03rd Annual General Meeting of the Members of **GODHA CABCON & INSULATION LTD** (*Previously known as Godha Cabcon & Insulation Pvt. Ltd.*) will be held on Thursday 26th September, 2019 at 2:00 P.M. at the Registered office of the Company situated at **36-D, Sector B, Industrial Area, Sanwer Road, Indore (M.P.)-452006** to transact the following business:-

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statement of the company for the financial year ended on March 31, 2019 including the Balance Sheet as at March 31, 2019, the Statement of Profit and Loss Accounts and Cash flow statement for the year ended on that date along with reports of the Board of Director's and the Auditors thereon.

“RESOLVED THAT the audited financial statement of the Company for the financial year ended March 31, 2019 and the reports of the Board of Directors and Auditors thereon laid before this meeting, be and are hereby considered and adopted.
”

2. To appoint Mrs. Madhu Godha (DIN-07607783), who retires by rotation as a Director and in this regard, to consider and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Section 152 and other applicable provisions of the Companies Act, 2013, Mrs. Madhu Godha (DIN-07607783), who retires by rotation at this meeting be and is hereby appointed as a Director of the Company, liable to retire by rotation.”

SPECIAL BUSINESS:

3. To approve for loans, investments, guarantee or security under section 185 of Companies act, 2013:

“RESOLVED THAT pursuant to Section 185 and all other applicable provisions of the Companies Act, 2013 read with Companies (Amendment) Act, 2017 and Rules made there under as amended from time to time, the consent of the Members be and is hereby accorded to authorize the Board of Directors of the Company (hereinafter referred as ‘the board’) to advance any loan including any loan to the company having name and style Madhu Cable and Conductor Private Limited, (in which any director/s of the company interested) up to an aggregate sum of Rs. 20 Crore (Rupees Twenty Crores) in their absolute discretion deem beneficial and in the interest of the Company, provided that such loans are utilized by the borrowing company for its principal business activities”.

“RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, any of the directors of the Company be and are hereby authorised to do all acts, deeds

and things in their absolute discretion that may be considered necessary, proper and expedient or incidental for the purpose of giving effect to this resolution in the interest of the Company.”

Registered office:
36-D, Sector B, Industrial Area
Sanwer Road, Indore (M.P.)

By order of the Board
For Godha Cabcon & Insulation Ltd

Place: Indore
Date: August 22, 2019

Shivani Gupta
Company Secretary

NOTES:

- 1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY/ PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF / HERSELF. SUCH A PROXY/ PROXIES NEED NOT BE A MEMBER OF THE COMPANY.** The instrument appointing the proxy shall however be deposited at the registered office of the Company not less than 48 hours before the commencement of the Meeting. A person can act as proxy on behalf of Members not exceeding fifty (50) and holding in the aggregate not more than ten percent 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.
2. The relevant details as required by Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations) and by the Secretarial Standards issued by the Institute of Company Secretaries of India, New Delhi, of persons seeking appointment/re-appointment as Director is annexed to this Notice of AGM.
3. Members, Proxies and Authorised Representatives are requested to bring at the venue of the meeting, the Attendance Slip as enclosed herewith, duly completed and signed, mentioning therein details of their DP ID and Client ID / Folio No.
4. In case of joint holders attending the meeting, only the joint holder who is higher in the order of name will be entitled to vote at the meeting.
5. As per the provisions of Section 72 of the Companies Act, 2013 (the Act), the facility for making nomination is available for the Members in respect of the shares held by them. Members who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13. The said form can be downloaded from the Company's website www.godhacabcon.com (under 'Investors' section). Members holding shares in physical form may submit the same to the Registrar & Transfer Agent (RTA) of the Company. Members holding shares in electronic form may submit the same to their respective Depository Participant.
6. To support the "Green Initiative", Members who have not registered their email addresses are requested to register the same with the Company's RTA / their Depository Participants, in respect of shares held in physical/electronic mode respectively.
7. In compliance with the provisions of Section 108 of the Act and the Rules framed there under, as amended from time to time, and Regulation 44 of the Listing Regulations, the Members, being eligible to vote, are provided with the facility to cast their vote electronically, through remote e-voting services from any place other than the venue of AGM, on all the resolutions set forth in this Notice. The instructions for remote e-voting are given herein below. Resolution(s) passed by Members through remote e-voting is/are deemed to have been passed as if they have been passed at the Annual General Meeting.
8. The Items of Business given in the AGM Notice dated August 22, 2019 may be transacted through the remote e-voting facility which is provided to the Members of the Company whose names appear in the Register of Members/List of Beneficial owners as on the cut-off date i.e. Saturday, September 21, 2019 to exercise their right to vote at the 3rd Annual General Meeting of the Company by electronic means

through remote e-voting platform provided by Karvy. Please note that the Members of the Company are requested to voluntarily opt the remote e-voting facility to vote on the resolution specified in the Notice of AGM, in case they are not able to attend the meeting.

9. Any person, who acquires the share(s) of the Company and becomes a Member of the Company after the dispatch of this Notice of AGM and holds the shares as on the cut-off date, can also cast their vote through remote e-voting facility.

10. The process/instruction and other information relating to remote e-voting are as follows:

a) The instructions for e-Voting are as under:

i) Launch internet browser by typing the following URL:<https://evoting.karvy.com>.

ii) User ID and Password for e-voting is provided in the table appearing above document.

iii) Enter the login credentials, i.e., user id and password mentioned in your email. Your Folio No/DP ID Client ID will be your user ID. However, if you are already registered with Karvy for e-voting, you can use your existing User ID and Password for casting your votes.

iv) After entering the details appropriately, Click on “**LOGIN**”.

v) The Password Change Menu will appear on your screen. Where in you are required to mandatorily change your password. The new password shall comprise minimum 8 characters with the least one upper case (A-Z), one lower case (a-z), one numeric (0-9) and a special character (@, #, \$, etc.) The system will also prompt you to update your contact details like mobile number, email id, on first login. You may also enter a secret question and answer of your choice for retrieving your password in case you forget it. **It is strongly recommended that you do not share your password with any other person and that you take utmost care to keep your password confidential.**

vi) Home page of e-voting opens. Click on-Voting: Active Voting Cycles.

vii) Select the “EVENT” (e-Voting Event Number) of Godha Cabcon & Insulation Limited.

viii) Now you are ready for e-Voting as Cast Vote page opens.

ix) On the voting page, the number of shares (which represents the number of votes) as held by the member as on the Cut off date will appear. If you desire to cast all the votes assenting/dissenting to the resolution, then enter all shares and click “**FOR**”/ “**AGAINST**” as the case may be or partially in “**FOR**” and partially in “**AGANIST**”, but the total number in “**FOR**”/ “**AGAINST**” taken together should not exceed you total shareholding as on the cut-off date. You may also choose the option “**ABSTAIN**” and the shares held will not be counted under either head.

x) Members holding multiple folio/demat accounts shall choose the voting process separately for each folio/demat account.

xi) Once Cast you votes by selecting an appropriate option and click on “**SUBMIT**”. A confirmation box will be displayed. Click “**OK**” to confirm, else “**CANCEL**” to MODIFY.

Once you confirm, you will not be allowed to modify your vote subsequently. During the voting period, you can login multiple times till you have confirmation that you have voted on the resolution.

- xii) Corporate/Institutional shareholders (i.e. other than individuals, HUFs, NRIs etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority Letter etc. Together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail to ravi@rscs.in. They may also upload the same in the e-voting module in their login. The scanned image of the above documents should be in the naming format "Corporate Name EVENT No". with a copy marked to evoting@karvy.com.
 - xiii) 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 Downloads section of <https://evoting.karvy.com>. Or call Karvy's toll free member 1800-3454-001 for any information or clarification regarding E-voting.
 - xiv) The members who have cast their vote by remote e-voting may also attend the Meeting but shall not be entitled to cast their vote again.
 - xv) If e-mail address of the members is registered against Folio No. / DP ID Client ID, then on the home page of <https://evoting.karvy.com>, the member may click "Forgot Password" and enter Folio No. or DP ID Client ID and PAN to generate a new password.
 - xvi) Members may send an e-mail request to e-voting evoting@karvy.com. if the member is already registered with the Karvy e-voting platform then such member can use his/her existing User ID and password for casting the vote through remote e-voting.
 - xvii) Any person who becomes a member of the Company after dispatch of Notice of the Meeting and holds the shares as on the cut-off date i.e. September 21, 2019 may write / send an E-mail request to E-voting evoting@karvy.com and obtain the user id and password.
- b) Other Instructions:**
- i) You can also update your mobile number and e-mail ID in the user profile details of the folio which may be used for sending future communication(s).
 - ii) **The E-voting shall commence at 9.00 a.m. (IST) on 23rd September, 2019 and ends at 5.00 p.m. (IST) on 25th September, 2019.** During this period, Members of the Company holding shares either in physical form or in dematerialized form, as on the **cut-off i.e. date 21st September, 2019**, may cast their vote electronically. The e-voting module shall be disabled by Karvy for voting thereafter. Once the vote on a resolution is cast by the shareholder, he/she shall not be allowed to change it subsequently. Electronic voting shall not be available beyond the said date and time.
 - iii) **The voting rights of the Members shall be in proportion to their share of the paid up equity shares capital of the Company as on the cut-off date i.e. Saturday, 21st September, 2019 and as per the Register of Members of the Company.**
 - iv) Deepak Patil & Co., Practicing Company Secretary (Certificate of Practice No. 11592) has been appointed as the Scrutinizer to scrutinize and ensure that the e-voting process is conducted in a fair and transparent manner.
 - v) The scrutinizer shall, within a period not exceeding three (3) working days from the conclusion of the e-voting period, unblock the votes in the presence of at least two (2) witnesses who are not in the employment of the Company and make a

Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Chairman/Managing Director of the Company.

- vi) The results declared along with the Scrutinizer's Report shall be placed on the Company's website www.Godhacabcon.com and on the website of the Company's Registrar & Share Transfer Agent Karvy <https://evoting.karvy.com> within 48 hours days of passing of the resolutions at the 3rd Annual General Meeting of the Company being held on Thursday, the 26th September, 2019 and communicated to National Stock Exchange of India Limited (NSE) where the shares of the Company are listed.
- vii) The resolution shall be deemed to be passed on the date of the AGM, subject to receipt of sufficient votes through a compilation of e-Voting results and voting held at the Annual General Meeting.

11. General Instructions for the Members to cast their vote:

- (i) Members can also download the Notice of the Meeting from the Company's website viz., www.godhacabcon.com to exercise/cast their e-voting rights.
- (ii) At the end of the voting period Scrutinizer will download the entire voting data using its scrutinizer login.
- (iii) The Register of Directors' and Key Managerial Personnel and their shareholding maintained under Section 170 of the Companies Act, 2013 and the Register of Contracts or Arrangements in which the Directors are interested maintained under Section 189 of the Companies Act, 2013 will be available for inspection at the Annual General Meeting.
- (iv) 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 copy of PAN to their Depository Participants with whom they are maintaining their demat account(s). Members holding shares in physical form are requested to submit their PAN details to the Company or to the Registrar and Share Transfer Agents of the Company.
- (v) The route map showing the direction to arrive at the venue of the 3rd Annual General Meeting of the Company is attached to the Annual Report.

Important Note:

Relevant documents referred to in the Notice are open for inspection to the Members at the registered office of the Company during business hours on all working days upto the date of Annual General Meeting.

STATEMENT PURSUANT TO SECTION 102 (1) OF THE COMPANIES ACT, 2013:

Item No. 3

The Company is expected to render support for the business requirements of other companies in the group, from time to time. However, owing to certain restrictive provisions contained in the Section 185 of the Companies Act, 2013, the Company was unable to extend financial assistance by way of loan to other entity, it is related to. In the light of amendments notified effective May 7, 2018, inter-alia replacing the provisions Section 185 of Companies Act, 2013, the Company with the approval of members by way of special resolution, would be in a

position to provide financial assistance by way of loan to other entity, for their principal business activities. The members may note that board of directors would carefully evaluate proposals and provide loan, guarantee or security proposals of Rs. 20 Crore (Rupees Twenty Crores Only) through deployment of funds out of internal resources / accruals and / or any other appropriate sources, from time to time, only for principal business activities of the entities in the Group. Hence, in order to enable the company to advance loan to other Companies in which Directors are interested directly or indirectly under section 185 of the Companies Act, 2013 requires approval of members by a Special Resolution. The Board of Directors Recommend the Special Resolution for approval by the members. All the Directors except for the Independent Directors are concerned or interested in the aforesaid resolution, financially or otherwise.

ANNEXURE TO NOTICE

Details of Directors seeking appointment and re-appointment at the forthcoming Annual General Meeting:

Mrs. Madhu Godha

Name of Director	Madhu Godha
Date of Birth	06 th October 1956
Date of appointment	04 th October 2016
No. equity share held in the Company	7858460
Disclosure of relationships between directors inter se	Mother
Qualification	11 th
List of outside Directorship held in public Company	-
Chairman/Member of the Committee of the Board of directors of the Company	-
Chairman/Member of the Committee of the Board of directors of the Company	-
Brief Profile	Director and Promoter of the Company

**Registered office:
36-D, Sector B, Industrial Area
Sanwer Road, Indore (M.P.)**

**By order of the Board
For Godha Cabcon & Insulation Ltd**

**Place: Indore
Date: August 22, 2019**

**Shivani Gupta
Company Secretary**

DIRECTOR'S REPORT

To,
The Members of
Godha Cabcon and Insulation Limited

Your Directors takes immense pleasure in presenting the 03rd Annual Report of the Company together with the Audited Annual Financial Statements showing the financial position of the Company for the year ended 31st March, 2019.

01. FINANCIAL PERFORMANCE:-

The financial performance of your company for the year ended 31st March, 2019 is highlighted below:

(Rs. In Lacs)		
Particulars	2018-19	2017-18
Total Revenue	7412.16	4304.69
Total Expenses	7361.75	4209.62
Profit/ (Loss) before Tax	50.41	142.18
Less:- Current Tax	12.41	38.62
Deferred Tax	2.08	-1.47
Profit for the period	35.92	105.04
Earnings Per Share (EPS)		
Basic	0.32	2.16
Diluted	0.32	2.16

02. HIGHLIGHTS OF PERFORMANCE:-

Total Revenue for the year 2018-19 is increased to Rs. 7412.16 lacs as compared to Rs. 4304.69 lacs in the previous year. Profit before Tax for the year was Rs. 50.41 lacs as compared to profit of Rs. 142.18 lacs in the previous year. Profit after Tax for the year was Rs. 35.92 Lacs as compared to profit of Rs. 105.04 in the previous year.

03. DIVIDEND:-

In order to plough back the profits for the activities of the company and strategy of growth in the business through enhancing manufacturing capacity, your directors do not recommend any dividend for the financial year.

04. SHARE CAPITAL:-

The Company's paid up capital as on 31st March 2019 is Rs. 11,10,40,000 comprising 1,11,04,000 Equity Shares of Rs.10/- each fully paid up. The increase in the paid up share capital is on account of issue of 30,04,000 equity shares of Rs.10/- each at a premium of Rs.23/- each aggregating Rs.33/- per share.

05. AMOUNT TRANSFERRED TO RESERVES:-

The Company has not transferred any amount to its reserves during the year.

06. DIRECTORS AND KMP:-

Ms. Madhu Godha (DIN-07607783), retires by rotation in accordance with the provisions of the Companies Act, 2013 and Articles of Association of the Company and being eligible, offers herself for re-appointment.

In compliance with Regulation 36(3) of the Listing Regulations, brief resume, expertise and other details of the Director proposed to be appointed/reappointed is given in the Notice convening the ensuing Annual General Meeting.

During the year under review and thereafter, following changes took place with regards to Directors and Key Managerial Personnel:

Sr. No.	Name of Director/KMP	Appointment/Cessation/Change in designation	Effective Date
01.	Mr. Ankit Vijayvargiya	Resigned from the post of Independent Director	30.05.2018
02.	Mr. Ravish Kandhari	Appointed as an Independent Director	30.08.2018
03.	Ms. Surbhi Jain	Resigned from the post of Company Secretary	04.12.2018
04.	Mrs. Nileema Mahanot	Appointed as a Company Secretary	04.12.2018
05.	Mrs. Nileema Mahanot	Resigned from the post of Company Secretary	14.02.2019
06.	Mrs. Shivani Gupta	Appointed as a Company Secretary	14.02.2019

07. DECLARATION BY INDEPENDENT DIRECTOR:-

Mr. Kamaljeet Singh Ajimal and Mr. Ravish Kandhari were the Independent Directors of the Company as on 31st March, 2019 pursuant to the provisions of Section 149(10) of the Act.

The Board of Directors of the Company hereby confirms that all the Independent Directors duly appointed by the Company have given the declaration and they meet the criteria of Independence as provided under Section 149(6) of the Act.

08. REMUNERATION POLICY:-

The Board has, on the recommendation of the Nomination & Remuneration committee framed a policy for selection and appointment of Directors, Senior Management Personnel and their remuneration. The Remuneration Policy is attached as **Annexure "A"**.

09. NO. OF MEETINGS:-

During the year, **08 (Eight)** Board Meetings were convened and held on following dates:-

- | | | |
|----------------------|-----------------------|-----------------------|
| (1) May 05, 2018 | (2) May 10, 2018 | (3) May 30, 2018 |
| (4) August 21, 2018 | (5) August 30, 2018 | (6) November 13, 2018 |
| (7) December 4, 2018 | (8) February 14, 2019 | |

10. AUDIT COMMITTEE:-

The Board has constituted an Audit Committee pursuant to the provision of Section 177(1) of the Companies Act, 2013. The Composition of the Audit Committee is as under:

Mr. Kamaljeet Singh Ajimal- Independent Director (Chairperson)

Mr. Dipesh Godha-Executive Director
Mr. Ravish Kandhari- Independent Director

11. NOMINATION AND REMUNERATION COMMITTEE:-

The Board has constituted a Nomination & Remuneration Committee pursuant to the provision of Section 178 (1) of the Companies Act, 2013. The Composition of the Nomination & Remuneration Committee is as under:

Mr. Kamaljeet Singh Ajimal-Independent Director (Chairperson)
Mr. Dipesh Godha-Executive Director
Mr. Ravish Kandhari- Independent Director

12. SUBSIDIARY, JOINT VENTURE AND ASSOCIATE COMPANIES:-

During the year company has neither any subsidiary company under section 2 (87) nor any associate under section 2 (6) of the Companies Act 2013 and hence, do not call for any disclosure under this head and also company has not any Joint Venture.

13. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY:-

The Company has established effective internal control systems to ensure accurate, reliable and timely compilation of financial statements, to safeguard assets of the Company, and to detect and mitigate irregularities and frauds. The Company's management has adequate internal control procedures over financial reporting.

In accordance with the requirements of Section 143(3) (i) of the Companies Act, 2013, the Statutory Auditors have confirmed the adequacy and operating effectiveness of the internal financial control systems over financial reporting.

14. VIGIL MECHANISM/WHISTLE BLOWER POLICY:-

The company has established Vigil Mechanism system and framed Whistle Blower Policy. Whistle blower policy is disclosed on the website of the Company at www.godhacabcon.com

15. PARTICULARS OF EMPLOYEE AND REMUNERATION:-

The details of employees of the Company in terms of remuneration drawn as required under Section 134 of the Companies Act 2013, and Rules 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules,2014 are annexed hereto **Annexure "A"** and forms part of this Report.

16. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE:-

(A) CONSERVATION OF ENERGY

Energy conservation measures taken during the year included the following:

- Monitoring closely high energy consuming equipment.
- Installation of –Two Wire Rod Break Down (RBD) machine which results in 1.8 times of production in 1 time production capacity.

(B) TECHNOLOGY ABSORPTION:

- a. The company is using Latest technology for manufacturing of the products and same has been fully absorbed.
- b. The company is continuously improving its quality and installed Latest equipment and new Testing & Measuring equipment.

(B) FOREIGN EXCHANGE EARNINGS AND OUTGO:

Particulars	2018-19	2017-18
Total foreign exchange outgo	-	-
Total foreign exchange inflow	-	-

17. CORPORATE GOVERNANCE REPORT AND CERTIFICATE:-

Your company has been complying with the principals of good Corporate Governance over the years and is committed to the highest standards of compliance. Pursuant to Regulation 15(2) of the SEBI (LODR) Regulations 2015, the compliance with the corporate governance provisions as specified in Regulations 17 to 27 and clauses (b) to (i) of Regulation 46(2) and para C,D and E of schedule V shall not apply to the listed entity which has listed its specified securities on the SME Exchange.

18. MANAGEMENT'S DISCUSSION AND ANALYSIS REPORT:-

A detailed review of the operations, performance and future outlook of the Company is given in the Management Discussion and Analysis appearing as **Annexure-B** to this report.

19. RELATED PARTY TRANSACTION:-

The Company has entered into transactions with the related party in the ordinary course of business and at the arms length basis. The particulars of contracts or arrangements entered into by the company with the related parties to in sub section (1) of Section 188 of the Act in the prescribed form AOC-2 is enclosed as per **Annexure-C**.

20. DIRECTOR'S RESPONSIBILITY STATEMENT:-

Pursuant to the requirement under Section 134(3)(c) read with 134(5) of the Companies Act, 2013, your Directors confirm that:

- (a) The applicable accounting standards had been followed along with proper explanation relating to material departures, if any, in the preparation of the annual accounts;
- (b) Appropriate accounting policies have been selected and applied consistently and judgments and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period;
- (c) Proper and sufficient care has been taken 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 annual accounts have been prepared on a going concern basis;
- (e) Proper internal financial controls have been laid down and followed by the Company and that such internal financial controls are adequate and were operating effectively;
- (f) Proper systems to ensure compliance with the provisions of all the applicable laws have been devised and that such systems were adequate and are working effectively;

21. STATUTORY AUDITORS:-

At the 1st Annual General Meeting held on July 14, 2017, the Members of the Company had appointed M/s. S.K. Khandelwal & Associates, Chartered Accountants, Indore, as Statutory Auditors of the Company for a term of five consecutive years to hold office from the conclusion of that meeting till the conclusion of the 6th Annual General Meeting of the Company to be held in 2022.

In accordance with the Companies Amendment Act, 2017, enforced on May 7, 2018 by the Ministry of Corporate Affairs, the appointment of Statutory Auditors is not required to be ratified at every Annual General Meeting. In view of such omission of proviso, agenda item relating to ratification of Statutory Auditors is not included in the Notice of ensuing Annual General Meeting.

The Auditors' Report issued by M/s. S.K. Khandelwal & Associates, Chartered Accountants, for the financial year ended March 31, 2019, does not contain any qualifications, reservations or adverse remarks.

22. SECRETARIAL AUDITOR:-

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 the Board of Directors of the Company at its meeting held on May 30, 2018, had appointed M/s. Deepak Patil & Co., Practicing Company Secretary, as the Secretarial Auditor of the Company to undertake the Secretarial Audit of the Company for the financial year 2018-19. The Secretarial Audit Report in the prescribed Form MR-3 is annexed to this report as **Annexure-D**.

The said Secretarial Audit Report does not contain any qualifications or reservations by the Secretarial Auditor. However, for the remark that has been specified in the report, the Board of Directors is of the opinion that the Company has complied with the provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

23. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENT:-

Pursuant to provisions of section 186 of the Companies Act, 2013, during the year under review, no loan or guarantee given by the Company and no investments in the securities of any company are made.

24. CORPORATE SOCIAL RESPONSIBILITY:-

The Company does not fall in any of the criteria of Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014 and hence the Company is not required to comply with the same.

25. EXTRACT OF THE ANNUAL RETURN U/S 92(3) OF THE ACT AS PER FORM MGT-9:-

The Extract of Annual Return as required under section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules, 2014 in Form MGT-9 is annexed herewith for your kind perusal and information as per Annexure "E".

26. DEVELOPMENT AND IMPLIMENTATION OF RISK MANAGEMENT POLICY:-

Risk affects every organization by one way or other. Thus planning to handle such risk in future is of vital importance for every organization. Your Company always focuses on identifying and monitoring the risk and to take precautionary steps for risks affecting to your Company. There are certain risks like Price Risk, Government Policies, Human Resource, Competition etc. and have planned to manage such risk by adopting best management practices.

27. DETAILS OF SIGNIFICANT OR MATERIAL ORDER PASSED:-

01.) In the appeal made by our Company at the Customs Excise & Service Tax Appellate Tribunal ("Tribunal") a final order no. A/57/185-57186/2017-EX [DB] was passed dated October 12, 2017. In this appeal two main issues were raised; the first being whether the process of cutting and slitting the craft paper roll amounted to manufacturing and the second with respect to quantification of turnover for SSI exemption under Notification no. 8/2003 dated March 1, 2003. Vide this order the President of the Tribunal after hearing both parties, found no merit in the impugned order of the Commissioner passed with respect to Show Cause Notice dated July 25, 2013. On the second issue, regarding entitlement of the SSI exemption by excluding the trading activity, the Tribunal directed that the matter be sent back to the Original Authority for due appreciation of the supporting documents to be submitted by the Appellants. The Original Authority will examine the claim regarding entitlement of the calculation of the duty liability by extending cum duty benefit based on supporting evidence.

02.) One of our major customers, MPMKVVCL that accounts for major revenue portion, has banned us from doing any business with them for a period of five years vide a letter dated March 8, 2018 without assigning any reason whatsoever for such ban. Our Company has challenged the said ban vide petition dated March 27, 2018 filed in the High Court of Madhya Pradesh, Indore Bench. The said

petition was heard and vide an order dated March 28, 2018 a stay was granted by the High Court on the said ban until further orders from the High Court. Further, our Company has made an online bid for a fresh tender floated by MPMKVVCL for supply of AAA Conductor which was duly accepted electronically on March 31, 2018.

28. DISCLOSURE UNDER THE SEXUAL HARASSEMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT 2013:-

The Company has in place an Anti Sexual Harassment Policy in line with the requirements of the Sexual Harassment of Women at the Workplace (Prevention, Prohibition and Redressal) Act, 2013. Internal Complaints Committee has been set up to redress complaints received regarding sexual harassment all employees (permanent, contractual, temporary, trainees) are covered under this policy. The summary of sexual harassment complaints received and disposed off during the financial year 2018-2019 is as under:

Number of Complaints Received: **NIL**

Number of Complaints Disposed off: **NIL**

29. CHANGE IN NATURE AND MATERIAL CHANGES AND COMMITMENT OCCURRED AFTER THE END OF FINANCIAL YEAR AND UPTO THE DATE OF REPORT:-

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

During the year company has listed on NSE Emerge Platform w.e.f. May 11, 2018. The Company brought an IPO which opened for subscription on April 27, 2018 and closed on May 03, 2018 pursuant to which 30,04,000 equity shares of Face Value of Rs. 10 each were issued at a premium of Rs. 23 each (aggregating to Rs. 33 each) and the same were allotted on May 10, 2018, Consequently the Company received a capital of Rs. 9,91,32,000.

30. REPORTING OF FRAUDS:-

There was no instance of fraud during the year under review, which required the Statutory Auditors to report to the Audit Committee and/or Board under Section 143(12) of the Act and Rules framed there under.

31. PUBLIC DEPOSITS:-

The Company has not accepted any deposits from the general public and as such, no amount on account of principal or interest on deposits from public was outstanding as on the date of the balance sheet. Further that the Company has not accepted any deposits in contravention of the provisions of the Chapter V of the Companies Act, 2013 and rules made there under

32. ACKNOWLEDGEMENT:-

The Board records it's thanks to the Company's Bankers, Financial Institutions, Government, Collaborators and other agencies for their support extended to the Company and look forward to their continued support.

**By the order of the board of
GODHA CABCON & INSULATION LTD**

**Date: August 22, 2019
Place: Indore**

**Rupali Godha
Director
DIN: 07530189**

**Dipesh Godha
CEO Cum Executive Director
DIN :07529876**

MANAGING DIRECTOR /CEO AND CHIEF FINANCIAL OFFICER
CERTIFICATION

COMPLIANCE CERTIFICATE
Regulation 17(8) and 33(2)(a) of SEBI (LODR) 2015

A. We have reviewed audited Financial Statements and cash flow statement for the year 2018-19 and that to the best of our knowledge and belief:

- (1) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
- (2) These statements together present a true and fair view of the listed entity's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

B. There are, to the best of our knowledge and belief, no transactions entered into by the listed entity during the year which are fraudulent, illegal or violative of the listed entity's code of conduct.

C. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the listed entity pertaining to financial reporting and have disclosed to the auditors and the audit committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies. We have indicated to the auditors and the Audit committee.

- (1) Significant changes in internal control over financial reporting during the year;
- (2) Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
- (3) Instances of significant fraud of which they have become aware and the involvement therein, if any, of the management or an employee having a significant role in the listed entity's internal control system over financial reporting.

For Godha Cabcon & Insulation Ltd

Dipesh Godha
CEO Cum Executive Director

Kapil Verma
Chief Financial Officer

Annexure "A"

GODHA CABCON & INSULATION LIMITED **NOMINATION AND REMUNERATION POLICY**

I. PREAMBLE

As per Section 178 of the Companies Act, 2013 read along with applicable rules thereto and Regulation 19 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 the nomination and remuneration committee of the Board shall lay appropriate criteria for selection of Directors, Key Managerial Personnel and Senior Management and formulate appropriate policy for payment of equitable remuneration to them.

Accordingly, the Board of Directors of the Company on November 30, 2017 has adopted the policy for nomination and remuneration ("Policy"). This Policy shall come into effect from the date of listing of Equity Shares of the Company on the stock exchange(s).

II. OBJECTIVES OF THE COMMITTEE

The Committee shall:

- i. Formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy relating to the remuneration of Directors, key managerial personnel and other employees.
- ii. Formulation of criteria for evaluation of the Independent Director and to carry out evaluation of every Director's performance and to provide necessary report to the Board for further evaluation.
- iii. Devising a policy on Board diversity.
- iv. Identify persons who are qualified to become Director and persons who may be appointed in Key Managerial and Senior Management positions in accordance with the criteria laid down in this policy.
- v. To provide to Key Managerial Personnel and Senior Management reward linked directly to their effort, performance, dedication and achievement relating to the Company's operations.
- vi. To retain, motivate and promote talent and to ensure long term sustainability of talented managerial persons and create competitive advantage.
- vii. Ensure that level and composition of remuneration is reasonable and sufficient, relationship of remuneration to performance is clear and meets appropriate performance benchmarks.
- viii. To carry out any other function as is mandated by the Board from time to time and / or enforced by any statutory notification, amendment or modification, as may be applicable.
- ix. To perform such other functions as may be necessary or appropriate for the performance of its duties.

x. To develop a succession plan for the Board and to regularly review the plan.

III. DEFINITIONS:

- **“Act”**:- Act means the Companies Act, 2013 and Rules framed there under, as amended from time to time;
- **“Board”**:-Board means Board of Directors of the Company;
- **“Director”**:-Directors means Directors of the Company;
- **“Committee”**:-Committee means Nomination and Remuneration Committee of the Company as constituted or reconstituted by the Board, from time to time;
- **“Company”**:- Company means Godha Cabcon & Insulation Limited;
- **“Independent Director”**:- As provided under the Companies Act, 2013, ‘Independent director’ shall mean a non-executive director, other than a nominee director of the Company:
 - a. who, in the opinion of the Board, is a person of integrity and possesses relevant expertise and experience;
 - b. (i) who is or was not a promoter of the Company or its holding, subsidiary or associate company;
 - (ii) who is not related to promoters or directors in the company, its holding, subsidiary or associate company;
 - c. apart from receiving director's remuneration, has or had no pecuniary relationship with the Company, its holding, subsidiary or associate Company, or their promoters, or directors, during the two immediately preceding financial years or during the current financial year;
 - d. none of whose relatives –
 - (i) is holding any security of or interest in the company, its holding, subsidiary or associate company during the two immediately preceding financial years or during the current financial year:

Provided that the relative may hold security or interest in the company of face value not exceeding fifty lakh rupees or two per cent. of the paid-up capital of the company, its holding, subsidiary or associate company or such higher sum as may be prescribed;
 - (ii) is indebted to the company, its holding, subsidiary or associate company or their promoters, or directors, in excess of such amount as may be prescribed during the two immediately preceding financial years or during the current financial year;
 - (iii) has given a guarantee or provided any security in connection with the indebtedness of any third person to the company, its holding, subsidiary or associate company or their promoters, or directors of such holding company, for such amount as may be prescribed during the two immediately preceding financial years or during the current financial year;

(iv) has any other pecuniary transaction or relationship with the company, or its subsidiary, or its holding or associate company amounting to two per cent. or more of its gross turnover or total income singly or in combination with the transactions referred to in sub-clause (i), (ii) or (iii);

e. who, neither himself nor any of his relatives —

i. holds or has held the position of a key managerial personnel or is or has been employee of the company or its holding, subsidiary or associate company in any of the three financial years immediately preceding the financial year in which he is proposed to be appointed;

ii. is or has been an employee or proprietor or a partner, in any of the three financial years immediately preceding the financial year in which he is proposed to be appointed; of-

(A) a firm of auditors or company secretaries in practice or cost auditors of the company or its holding, subsidiary or associate Company; or

(B). any legal or a consulting firm that has or had any transaction with the Company, its holding, subsidiary or associate Company amounting to ten per cent or more of the gross turnover of such firm;

iii. holds together with his relatives two per cent or more of the total voting power of the Company; or

iv. is a Chief Executive or director, by whatever name called, of any non-profit organization that receives twenty-five per cent or more of its receipts from the Company, any of its promoters, directors or its holding, subsidiary or associate Company or that holds two per cent or more of the total voting power of the Company; or

f. who possesses such other qualification as may be prescribed under the applicable statutory provisions/ regulations

g. is a material supplier, service provider or customer or a lessor or lessee of the Company;

h. who is not less than 21 years of age.

• **“Key Managerial Personnel”**:- Key Managerial Personnel (KMP) means-

(i) the Chief Executive Officer or the managing director or the manager;

(ii) the Company Secretary;

(iii) the Whole-Time Director;

(iv) the Chief Financial Officer; and

(v) such other officer as may be prescribed under the applicable statutory provisions/ regulations

• **“Senior Management”**:- The expression “senior management” means personnel of the Company who are members of its core management team excluding Board of Directors comprising all members of management one level below the executive directors, including the functional heads.

- **“Nomination and Remuneration Committee”** shall mean a Committee of Board of Directors of the Company, constituted in accordance with the provisions of Section 178 of the Companies Act, 2013.
- **“Policy or This Policy”** means, “Nomination and Remuneration Policy.
- **“Remuneration”** means any money or its equivalent given or passed to any person for services rendered by him and includes perquisites as defined under the Income-tax Act, 1961.

Unless the context otherwise requires, words and expressions used in this policy and not defined herein but defined in the Companies Act, 2013 and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as may be amended from time to time shall have the meaning respectively assigned to them therein.

IV. GUIDING PRINCIPLES

The Policy ensures that

- i. The level and composition of Remuneration is reasonable and sufficient to attract, retain and motivate Directors of the quality required to run the Company successfully
- ii Relationship of Remuneration to performance is clear and meets appropriate performance benchmarks and
- iii Remuneration to Directors, Key Managerial Personnel and Senior Management involves a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company and its goals.

V. APPLICABILITY

The Policy is applicable to

- i. Directors (Executive and Non Executive)
- ii. Key Managerial Personnel
- iii. Senior Management Personnel
- iv. Employees

VI. COMMITTEE MEMBERS’ INTERESTS

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

GENERAL APPOINTMENT CRITERIA

- I The Committee shall consider the ethical standards of integrity and probity, qualification, expertise and experience of the person for appointment as Director, Key Managerial Personnel or at Senior Management level and accordingly recommend to the Board his / her appointment.

- ii. The Company should ensure that the person so appointed as Director/ Independent Director/ Key Managerial Personnel / Senior Management Personnel shall not be disqualified under the Companies Act, 2013, rules made there under or any other enactment for the time being in force.
- iii. The Director/ Independent Director/ Key Managerial Personnel / Senior Management Personnel shall be appointed as per the procedure laid down under the provisions of the Companies Act, 2013, rules made there under, or any other enactment for the time being in force.
- iv. The Company shall not appoint or continue the employment of any person as Managing Director/Whole-time Director/Manager who has attained the age of seventy years. Provided that the term of the person holding this position may be extended beyond the age of seventy years with the approval of shareholders by passing a special resolution based on the explanatory statement annexed to the notice for such motion indicating the justification for extension of appointment beyond seventy years.

Term / Tenure:

The Term / Tenure of the Directors shall be governed as per provisions of the Companies Act, 2013 and rules made there under as amended from time to time.

1. Managing Director/Whole-time Director/Manager (Managerial Person):- The Company shall appoint or re-appoint any person as its Managerial Person for a term not exceeding five years at a time. No re-appointment shall be made earlier than one year before the expiry of term.

2. Independent Director: -

An Independent Director shall hold office for a term up to five consecutive years on the Board of the Company and will be eligible for reappointment on passing of a special resolution by the Company and disclosure of such appointment in the Board's Report. No Independent Director shall hold office for more than two consecutive terms, but such Independent Director shall be eligible for appointment after expiry of three years of ceasing to become an Independent Director. Provided that an Independent Director shall not, during the said period of three years, be appointed in or be associated with the Company in any other capacity, either directly or indirectly. At the time of appointment of Independent Director it should be ensured that number of Boards on which such Independent Director serves do not exceed the maximum number fixed under the Companies Act, 2013 and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Evaluation:

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

Removal:

Due to reasons for any disqualification mentioned in the Companies Act, 2013, rules made there under or under any other applicable Act, rules and regulations or any other reasonable ground, the Committee may recommend to the Board for removal of a Director, Key

Managerial Personnel or Senior Management Personnel subject to the provisions and compliance of the said Act, rules and regulations.

Retirement:

The Director, Key Managerial Personnel and Senior Management shall retire as per the applicable provisions of the Companies Act, 2013 and the prevailing policy of the Company. The Board will have the discretion to retain the Director, Key Managerial Personnel, Senior Management in the same position/ remuneration or otherwise even after attaining the retirement age, for the benefit of the Company.

VII. CRITERIA FOR EVALUATION OF THE BOARD

Following are the Criteria for evaluation of performance of the Board:

1. Executive Directors:

The Executive Directors shall be evaluated on the basis of targets/Criteria given to executive Directors by the Board from time to time.

2. Non Executive Director:

The Non Executive Directors shall be evaluated on the basis of the following criteria i.e. whether they:

- (a) Act objectively and constructively while exercising their duties;
- (b) Exercise their responsibilities in a bona fide manner in the interest of the Company;
- (c) Devote sufficient time and attention to their professional obligations for informed and balanced decision making;
- (d) Do not abuse their position to the detriment of the company or its shareholders or for the purpose of gaining direct or indirect personal advantage or advantage for any associated person;
- (e) Refrain from any action that would lead to loss of his independence
- (f) Inform the Board immediately when they lose their independence,
- (g) Assist the Company in implementing the best corporate governance practices.
- (h) Strive to attend all meetings of the Board of Directors and the Committees;
- (i) Participate constructively and actively in the committees of the Board in which they are chairpersons or members;
- (j) Strive to attend the general meetings of the Company;
- (k) Keep themselves well informed about the Company and the external environment in which it operates;
- (l) Do not to unfairly obstruct the functioning of an otherwise proper Board or committee of the Board;

- (m) Moderate and arbitrate in the interest of the Company as a whole, in situations of conflict between management and shareholder's interest.
- (n) Abide by Company's Memorandum and Articles of Association, Company's policies and procedures including code of conduct, insider trading etc.

VIII. POLICY ON BOARD DIVERSITY

The Board of Directors shall have the optimum combination of Directors from the different areas/fields like production, Management, Quality Assurance, Finance, Sales and Marketing, Supply chain, Research and Development, Human Resources, Administration etc or as may be considered appropriate. The Board shall have at least one Board member who has accounting or related financial management expertise and financially literate.

IX. REMUNERATION

The Committee will recommend the remuneration to be paid to the Managing Director, Whole Time Director, Key Managerial Personnel and Senior Management Personnel to the Board for their approval. The level and composition of remuneration so determined by the Committee shall be reasonable and sufficient to attract, retain and motivate directors, Key Managerial Personnel and Senior Management of the quality required to run the Company successfully. The relationship of remuneration to performance should be clear and meet appropriate performance benchmarks. The remuneration should also involve a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals:

General:

1. The remuneration / compensation / commission etc. to Managerial Person, Key Managerial Personnel and Senior Management Personnel will be determined by the Committee and recommended to the Board for approval.
2. The remuneration and commission to be paid to Managerial Person shall be as per the statutory provisions of the Companies Act, 2013, and the rules made there under for the time being in force.
3. Increments to the existing remuneration / compensation structure may be recommended by the Committee to the Board which should be within the slabs approved by the Shareholders in the case of Managerial Person. Increments will be effective from the date of reappointment in respect of Managerial Person or such other date as mentioned in the resolution and 1st April in respect of other employees of the Company.
4. Where any insurance is taken by the Company on behalf of its Managerial Person, Key Managerial Personnel and any other employees for indemnifying them against any liability, the premium paid on such insurance shall not be treated as part of the Remuneration payable to any such personnel. Provided that if such person is proved to be guilty, the premium paid on such insurance shall be treated as part of the Remuneration.

X. REMUNERATION TO MANAGERIAL PERSON, KEY MANAGERIAL PERSONNEL AND SENIOR MANAGEMENT

1. Fixed pay: Managerial Person, Key Managerial Personnel and Senior Management shall be eligible for a monthly remuneration as may be approved by the Board on the recommendation of the Committee in accordance with the statutory provisions of the Companies Act, 2013, and the rules made there under for the time being in force. The break-up of the pay scale and quantum of perquisites including, employer's contribution to P.F, pension scheme, medical expenses, club fees etc. shall be decided and approved by the Board on the recommendation of the Committee and approved by the shareholders and Central Government, wherever required.
2. Minimum Remuneration: If, in any financial year, the Company has no profits or its profits are inadequate, the Company shall pay remuneration to its Managerial Person in accordance with the provisions of Schedule V of the Companies Act, 2013 and if it is not able to comply with such provisions, with the prior approval of the Central Government.
3. Provisions for excess remuneration: If any Managerial Person draws or receives, directly or indirectly by way of remuneration any such sums in excess of the limits prescribed under the Companies Act, 2013 or without the prior sanction of the Central Government, where required, he / she shall refund such sums to the Company and until such sum is refunded, hold it in trust for the Company. The Company shall not waive recovery of such sum refundable to it unless permitted by the Central Government.

XI. REMUNERATION TO NON-EXECUTIVE / INDEPENDENT DIRECTOR

1. Remuneration / Commission: The remuneration / commission shall be in accordance with the statutory provisions of the Companies Act, 2013, and the rules made there under for the time being in force.
2. Sitting Fees: The Non- Executive / Independent Director may receive remuneration by way of fees for attending meetings of Board or Committee thereof. Provided that the amount of such fees shall not exceed the maximum amount as provided in the Companies Act, 2013, per meeting of the Board or Committee or such amount as may be prescribed by the Central Government from time to time.
3. Limit of Remuneration /Commission: Remuneration /Commission may be paid within the monetary limit approved by shareholders, subject to the limit not exceeding 1% of the net profits of the Company computed as per the applicable provisions of the Companies Act, 2013.

XII. DEVIATIONS FROM THIS POLICY

Deviations on elements of this Policy in extraordinary circumstances, when deemed necessary in the interests of the Company, will be made if there are specific reasons to do so in an individual case.

Annexure “B”

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

INDUSTRY STRUCTURE AND DEVELOPMENT

Analyst forecast that the Electrical Conductors market in India to grow at a CAGR of 13% over the period 2013-19. One of the key factors contributing to this market growth is the increasing demand due to replacement activities and the rapid urbanization in the country. The Electrical Conductors market in India has also been witnessing a growing popularity of green products in the country. However, the increasing competition between major vendors in the market could pose a challenge to the growth of this Industry.

The Indian Cable and Conductor industry offers lucrative scope for stable revenue streams to manufacturers of both specialized Cables and Conductors. The prospects of the Cables and Conductors industry are interlinked with the health of other industries viz: power, railways, real estate, steel cement, refineries, infrastructure etc., and government’s procurement policies, strategic diversifications and switching over to integrated manufacturing. With the growth of other related industries, the Indian Cable and Conductor industry is indeed bound to grow & prosper.

PERFORMANCE

The performance analysis for the year; we achieved a Net Revenue of Rs. 7412.16/- lacs during the year. The interest & finance costs for the year stood at Rs. 151.18 lacs.

OPPORTUNITIES AND THREAT

India’s power sector is expected to receive investments of about \$250 billion over the next 5 years to catch up and keep pace with electricity demand, which is increasing at 5% per annum. The market for Electrical Conductors is expected to grow at 13.5% till 2019. During FY-17, 7,500 MW of inter-regional transmission capacity, along with about 19,436 circuit km (ckm) of transmission lines and 3,934 MW HVDC terminal capacities are expected to be added, so as to reach the targets specified in the 12th Plan. It is estimated that during the 13th Plan period, about 62,800 circuit kilometres (ckm) of transmission lines of 400 kV and above voltage level transmission systems would be required. This all will lead to the creation of opportunities for this Industry.

Domestic Demand-To sustain the envisaged annual GDP growth rate of around 8-9% over the next years, it has been estimated that India will require to increase its electricity generation capacity by around five times by 2032.

- 01) Power generation and distribution gap in the Industry.
- 02) Huge scope and investment potential in power sector.
- 03) Govt. initiatives towards power transformation industry.

THREAT

- 01) Growing competition in the industry.
- 02) Change in the govt. policies (Industry is prone to govt. policy).

OUTLOOK RISK AND CONCERNS

Our Outlook, risks and concerns are as follows:

- A large part of our revenue depends on our top clients and loss of any one of major client may lead to negative impact on our business
- Changes in policies of government of India or political instability may adversely effect economic conditions in India, which may lead to negative impact on our business.
- Any natural calamities such as earthquakes, storms, fire etc. may tend to affect our operational efficiency negatively.

RISK MANAGEMENT

The Company has developed and implemented a risk management framework to address key strategic and operational risks associated with its business

INTERNAL CONTROL SYSTEM

The company has an adequate internal control system commensurate with its size and the nature of its business in order to achieve efficiency in operation and optimum utilization of resources.

FINANCIAL PERFORMANCE VIS-A VIS OERATIONAL PERFORMANCE

Our production and revenues have increased during the current year. There has been an all round growth in the power industry.

The performance analysis for the year; we achieved a net revenue of Rs. 7262.95- lacs during the year. The Interest and Finance Costs for the year stood at Rs.151.18/- lacs

The Company has paid all the Financial Commitments to Bank within the stipulated period as per the Audit Report.

HUMAN RESOURCE AND INDUSTRIAL RELATION

The focus is on the capability development, performance management and employee engagement. This is expected to improve the cost competitiveness through greater levels of employee participation, commitment and involvement.

CAUTIONARY STATEMENT

Statement in this management analysis detailing the Company's objectives, projections, estimates, expectations, or predictions may be forward looking within the meaning of applicable laws and regulations. Actual results may differ materially from those expressed in the statement. Important factors that could influence the company's operations include economic conditions affecting demand/supply and price condition in the domestic markets in which the company operates, changes in the govt. regulations, tax laws and other statutes and other incidental factors.

**By the order of the board of
Godha Cabcon & Insulation Limited**

Date: August 22, 2019

Place: Indore

**Dipesh Godha
CEO cum Executive Director**

Annexure “C”

AOC-2

[Pursuant to clause (h) of sub-section (3) of section 134 of the Companies Act, 2013 and Rule 8(2) of the Companies (Accounts) Rules, 2014.]

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

A. Details of contracts or arrangements or transactions not at arm’s length basis

During the year, The Company has not entered into any contracts or arrangements with any of the related party which are not on arm’s length basis.

B. Details of material contracts or arrangement or transactions at arm’s length basis

(1)	Purchase of goods and service	
	Name(s) of the related party and nature of Relationship	Madhu Cable and Conductor Pvt Ltd
	Nature of contracts/arrangements/transactions	Sales & Purchase
	Duration of the contracts/arrangements/ Transactions	01/04/2018 to 31/03/2019
	Date(s) of approval by the Board, if any	16/03/2018
	Amount paid as advances, if any:	Nil

**By the order of the board of
Godha Cabcon &Insulation Limited**

**Date: August 22, 2019
Place: Indore**

**Dipesh Godha
CEO cum Executive Director**

Annexure “D”

Secretarial Audit Report

For the Financial Year ended 31/03/2019

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

To,
The Members,
Godha Cabcon & Insulation Limited

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Godha Cabcon & Insulation Limited** (hereinafter referred as “The Company”). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my Opinion thereon.

Based on my verification of the **Godha Cabcon & Insulation Limited’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, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on 31st March, 2019 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by **Godha Cabcon & Insulation Limited** (“the Company”) for the financial year ended on 31st March, 2019 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 (‘SCRA’) and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws Framed there under ;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to 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, 2018;

(d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 (Not applicable during the audit period);

(e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (Not applicable during the audit period);

(f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

(g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (Not applicable during the audit period);

(h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 (Not applicable during the audit period);

(i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015;

(vi) Other Laws specifically applicable to the Company:-

(a) The Micro, Small and Medium Enterprises Development Act, 2006

(b) Income Tax Act, 1961

(c) The Finance Act, 2018

(d) The Central Goods and Services Tax Act, 2017

(e) The Central Excise Act, 1944

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

(i) Secretarial Standards issued by The Institute of Company Secretaries of India.

(ii) The Listing Agreements entered into by the Company with National Stock Exchange EMERGE.

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:

I further report that during the audit period the company has listed on NSE Emerge Platform w.e.f. May 11, 2018 and the Company complied with all the applicable provisions for Listing i.e. SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009, SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, The Companies Act, 2013 (the Act) and the rules made there under and all other applicable Acts.

I further report that during the year under review 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 and the E-forms were accordingly filed with the Registrar of Companies.

I further report that 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.

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

I further report that, the compliance by the company of applicable financial laws, like direct and indirect tax laws, has not been reviewed in this audit since the same have been subject to review by statutory financial audit and other designated professionals.

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

Date: August 22, 2019
Place: Indore

Deepak Patil & Company
FCS No.: 9636
CP No.: 11592

Annexure “E”
FormNo.MGT-9
EXTRACT OF ANNUAL RETURN AS ON THE FINANCIAL YEAR ENDED ON
31.03.2019

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

I.REGISTRATION AND OTHER DETAILS:

i.	CIN	L31909MP2016PLC041592
ii.	Registration Date	04/10/2016
iii.	Name of the Company	GODHA CABCON & INSULATION LTD.
iv.	Category/Sub-Category of the Company	Company limited by shares/Indian Non Govt Company
v.	Address of the Registered office and contact details	36-D, Sector B, Industrial Area, Sanwer Road, Indore(M.P.)
vi.	Whether listed company	YES (Company got Listed w.e.f. 11th May, 2018)
vii.	Name, Address and Contact details of Registrar and Transfer Agent, if any	Karvy Fintech Private Limited Karvy Selenium Tower B, Plot Nos. 31 & 32, Financial District, Nanakramguda Serilingampally Mandal, Hyderabad - 500032 Phone : 040 6716 1606/1776 Email: Mohammed.shanoor@karvy.com, www.karvyfintech.com

II.PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

Sr.No.	Name and Description of main products/ services	NIC Code of the Product/ service	% to total turnover of the company
1	Manufacture of electronic cables & conductor (insulated wire and cable made of steel, copper, aluminium)	27320	100%

f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
Sub-total(B)(1)	0	0	0	0	0	0	0	0	0
2. Non Institutions	-	-	-	-	-	-	-	-	-
a) Bodies Corp. (i) Indian (ii) Overseas	-	-	-	-	1832 226	0	183222 6	16.50	16.50
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	-	-	-	-	7992 89	0	799289	7.20	7.20
					3684 85	0	368485	3.32	3.32
c) Others(Specify) NRI	-	-	-	-	4000	0	4000	0.04	0.04
Sub-total(B)(2)	0	0	0	0	3004 000	0	300400 0	0	27.05
Total Public Shareholding (B)=(B)(1)+ (B)(2)	0	0	0	0	3004 000	0	300400 0	0	27.05
C.Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	0	810000 0	81000 00	100	1110 4000	0	111040 00	100	0

ii. Shareholding of Promoters

Sr. No	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of 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.	DIPESH GODHA	236500	2.19 %	-	236500	2.13%	-	(0.16)
2.	RUPALI GODHA	5000	0.062 %	-	5000	0.05%	-	(0.012)
3.	MADHU GODHA	7858460	97.08 %	-	7858460	70.77%	-	(26.31)
	Total	8099960	99.33%	0	8099960	72.95%		(26.482)

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

Sr. no		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	DIPESH GODHA				
	At the beginning of the year	236500	2.19%	236500	2.19%
	Date wise increase/ decrease in Promoters Share holding during the year specifying the reasons for increase/ decrease (e.g. allotment/ transfer/bonus/sweat equity etc)	-	(0.06%)	-	(0.06%)
	At the end of the year	236500	2.13%	236500	2.13 %
2.	MADHU GODHA				
	At the beginning of the year	7858460	97.08%	7858460	97.08 %
	Date wise increase/ decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc)	-	(26.31%)	-	(26.31%)
	At the end of the year	7858460	70.77%	7858460	70.77 %
3.	RUPALI GODHA				
	At the beginning of the year	5000	0.062 %	5000	0.062 %

Date wise increase/decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc)	-	(0.012%)	-	(0.012%)
At the end of the year	5000	0.05	5000	0.05

iv. *Shareholding pattern of top ten shareholders (other than Directors, Promoters & Holders of GDRs and ADRs)*

Sr. no		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	FXCOM SERVICE LLP				
	At the beginning of the year	0	0%	0	0%
	Date wise increase/ decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc)				
	At the end of the year	5,00,000	4.50%	5,00,000	4.50%
2.	MARK CORPORATE ADVISORS PVT LTD				
	At the beginning of the year	0	0%	0	0%
	Date wise increase/ decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc)				
	At the end of the year	4,64,000	4.18%	4,64,000	4.18%
3.	DHARAPATI DISTRIBUTORS LIMITED				
	At the beginning of the year	0	0%	0	0%
	Date wise increase/ decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc)				
	At the end of the year	1,96,000	1.76%	1,96,000	1.76%
4.	SPARKLE SECURITIES SOLUTIONS PVT LTD				
	At the beginning of the year	0	0%	0	0%
	Date wise increase/ decrease				

	in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc)				
	At the end of the year	1,92,000	1.73%	1,92,000	1.73%
5.	AMIT R AGARWAL				
	At the beginning of the year	0	0%	0	0%
	Date wise increase/ decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc)				
	At the end of the year	1,20,000	1.08%	1,20,000	1.08%
6.	SHRESTH BUILDERS PVT LTD				
	At the beginning of the year	0	0%	0	0%
	Date wise increase/ decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc)				
	At the end of the year	96,000	0.86%	96,000	0.86%
7.	AMARESH TRADING PVT LTD				
	At the beginning of the year	0	0%	0	0%
	Date wise increase/ decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc)				
	At the end of the year	88,000	0.79%	88,000	0.79%
8.	SHASHI AGRAWAL				
	At the beginning of the year	0	0%	0	0%
	Date wise increase/ decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc)				
	At the end of the year	84,485	0.76%	84,485	0.76%
9.	BSR FINANCE & CONSTRUCTIONS LIMITED				
	At the beginning of the year	0	0%	0	0%

	Date wise increase/ decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc)				
	At the end of the year	80,000	0.72%	80,000	0.72%
10.	MADHUSUDAN PATIDAR				
	At the beginning of the year	0	0%	0	0%
	Date wise increase/ decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc)				
	At the end of the year	56,000	0.50%	56,000	0.50%

v. *Shareholding of Directors and KMP*

Sr. no		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	DIPESH GODHA				
	At the beginning of the year	236500	2.19%	236500	2.19%
	Date wise increase/ decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc)	-	(0.06%)	-	(0.06%)
	At the end of the year	236500	2.13%	236500	2.13 %
2.	MADHU GODHA				
	At the beginning of the year	7858460	97.08%	7858460	97.08 %
	Date wise increase/ decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc)	-	(26.31%)	-	(26.31%)
	At the end of the year	7858460	70.77%	7858460	70.77 %
3.	RUPALI GODHA				
	At the beginning of the year	5000	0.062 %	5000	0.062 %

Date wise increase/decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc)	-	(0.012%)	-	(0.012%)
At the end of the year	5000	0.05	5000	0.05

V. INDEBTEDNESS

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

(Amt in Lakh)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	654.16	282.32	0	936.48
ii) Interest due but not paid				
iii) Interest accrued but not				
Total (i+ii+iii)	654.16	282.32	0	936.48
Change in Indebtedness during the financial year				
- Addition	193.90		0	150.64
- Reduction	(43.25)	(253.98)		(253.98)
Net Change	150.65	(253.99)	0	(103.34)
Indebtedness at the end of the financial year				
i) Principal Amount	804.80	28.34	0	833.14
ii) Interest due but not paid				
iii) Interest accrued but not due				
Total (i+ii+iii)	804.80	28.34	0	833.14

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

(Amount in Lakh)

Sl. No.	Particulars of Remuneration	Name of MD/WTD/ Manager		Total Amount
		RUPALI GODHA	MADHU GODHA	
1.	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) Income-	12.00	12.00	24.00

	taxAct,1961			
2.	Stock Option	-	-	-
3.	Sweat Equity	-	-	-
4.	Commission - as % of profit - others, specify	-	-	-
5.	Others, please specify	-	-	-
6.	Total(A)	12.00	12.00	24.00
	Ceiling as per the Act			

B. Remuneration to other directors:

(Amount in Lakh)

Sl. No.	Particulars of Remuneration	Name of other Director		Total Amount
				-
	<u>Independent Directors</u> · Fee for attending board/committee meetings · Commission · Others, please specify	-	-	-
	Total(1)	-	-	-
	<u>Other Non-Executive Directors</u> · Fee for attending board /committee meetings · Commission · Others, please specify	-	-	-
	Total(2)	-	-	-
	Total(B)=(1+2)	-	-	-
	Total Managerial Remuneration	-	-	-
	Overall Ceiling as per the Act	-	-	-

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

(Amount in Lakh)

Sl. no.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	Company Secretary	CFO	Total
1.	Gross salary (a)Salary as per provisions contained in section17(1)of the Income-tax Act,1961 (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	24.00	2.26		26.26
2.	Stock Option	-	-	-	-
3.	Sweat Equity	-	-	-	-
4.	Commission - as % of profit	-	-	-	-

	-others, specify...				
5.	Others, please specify	-	-	-	-
6.	Total	24.00	2.26		26.26

VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES:

Type	Section of the companies Act	Brief description	Details of Penalty/ Punishment/ Compounding fees imposed	Authority[RD /NCLT/Court]	Appeal made. If any(give details)
A. Company					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
B. Directors					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
C. Other Officers In Default					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-

**By the order of the board of
GODHA CABCON & INSULATION LTD**

Date: August 22, 2019
Place: Indore

Rupali Godha
Director
DIN: 07530189

Dipesh Godha
CEO Cum Executive Director
DIN :07529876

INDEPENDENT AUDITOR'S REPORT

To,

**The Members of
M/s Godha Cabcon & Insulation Limited**

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of M/s Godha Cabcon & Insulation Limited, which comprises the Balance Sheet as at 31st March, 2019 and the Statement of Profit and Loss (including other comprehensive income), Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of the significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2019, and profit (including other comprehensive income), changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

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

Key Audit Matters

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

S. No.	Key Audit Matter
1.	Evaluation of uncertain tax positions
	The company has material uncertain tax positions including matters under dispute which involves significant judgment to determine the possible outcome of these disputes. Refer Note-23 to the Financial Statements
	Auditor's Response
	Principal Audit Procedures Obtained details of completed tax assessments and demands for the year ended March 31, 2019 from management. We involved our experts to challenge the management's underlying assumptions in estimating the tax provision and the possible outcome of the disputes. Additionally, we considered the effect of new information in respect of uncertain tax positions as at April 1, 2018 to evaluate whether any change was required to management's position on these uncertainties.
2.	Disputed commercial claims
	The company has material disputed commercial claims by customer on account of lower quality of product. Refer Note-23 to the Financial Statements
	Auditor's Response
	Principal Audit Procedures Obtained details of disputed commercial claims for the year ended March 31, 2019 from management. We have involved our experts to review the nature of the amount considered as liability and the likelihood of its payment upon final resolution.

Other Information

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Company's Annual Report but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statement, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If based on the work we have performed, we conclude that there is a material misstatement of this other information; we required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Financial Statements

The Company's management and Board of Directors are 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, changes in equity 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. 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.

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3) (i) of

the Companies Act, 2013. We are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

Report on other legal and regulatory requirements

1. As required by Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India, sub-section (11) of section 143 of the Companies Act, 2013, we give in the Annexure A, a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2. As required by section 143(3) of the Act, we report that:

- a) We have sought and obtained all the information & explanations which to the best of our knowledge and belief were necessary for the purpose of 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 the books.

- c) The Balance sheet, the Statement of Profit and Loss, and 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 written representation received from the directors as on 31st March 2019, taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2019, from being appointed as a director in terms of Section 164 (2) of the Act.
- f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in “Annexure B”.
- g) With respect to the other matters to be included in the Auditor’s Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - a. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 22 to the financial statements
 - b. The Company does not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - c. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

As per our report of even date annexed
For S.K.KHANDELWAL & ASSOCIATES
Chartered Accountants
FRN :- 002305C

Date: 30.05.2019

Place: Indore

(S.K. KHANDELWAL)

Partner

M.No. 071189

Annexure-A to the Auditors' Report

The Annexure referred to in Independent Auditor's report to the members of **M/s GODHA CABCON & INSULATION LIMITED** for the year ended 31st March 2019. We report that:

(i) (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.

(b) The Management has confirmed that the Fixed Assets have been physically verified by them at reasonable time intervals in a phased manner, which in our opinion is reasonable having regards to size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.

(c) According to the information and explanations given to us and on the basis of our examinations of the records of the company, the title deeds of immovable property are held in the name of the company.

(ii) (a) Physical verification of the inventory has been done at reasonable intervals by the management.

(b) The procedures of physical verification of inventory followed by the management reasonable and adequate in relation to the size of the company and the nature of its business.

(c) The company is maintaining proper records of inventory and there were no material discrepancies noticed on physical verification.

(iii) The company has not granted any loan 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) In our opinion and according to the information and explanation given to us, the company has complied with the provisions of section 185 and 186 of the Companies Act, 2013 with respect to loans, investments and guarantees given.

(v) The company has not accepted any deposits within the meaning of section 73 to 76 of the Act from the public. Accordingly, the provisions of clause 3(v) of the order are not applicable to the Company.

(vi) The Central Government has not prescribed maintenance of cost records under section 148(1) of the Company Act 2013, in respect of the activity carried on by the company.

(vii) (a) The company is generally regular in depositing with appropriate authorities undisputed statutory dues including Provident Fund, Investor Education Protection Fund, Employees' State Insurance, Income Tax, Sales Tax, Goods and Service Tax, Custom Duty, Excise Duty, Cess and other material Statutory Dues, if any, as are applicable to it.

According to the information and explanation given to us, no undisputed amounts payable in respect of Income Tax, Sales Tax, Goods and Service Tax, Service Tax, Custom Duty, Excise Duty, Cess and other Statutory Dues were outstanding, at the year end for a period of more than six months from the date they became payable.

(b) According to the information and explanation given to us, there are no dues of Sales Tax, Income Tax, Custom Duty, Excise Duty and Cess which have not been deposited on account of any dispute except as follows:

S. No	Nature of Liability	Amount	Related period	Form where case is pending
1.	Excise Duty	85,18,220.00	2012-13	Custom, Excise and Service Tax Appellate Tribunal
2.	Excise Duty	33,21,532.00	2015-16	Custom, Excise and Service Tax Appellate Tribunal

(viii) In our opinion and according to the information and explanation given to us, the company has not defaulted in repayment of loans or borrowings to a financial institution, bank, Government or dues to debenture holders.

(ix) In our opinion and according to the information and explanation given to us, the company has utilized money raised by way of Initial Public Offer for the purpose of which they were raised.

(x) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the Financial Statements and according to the information and explanations given to us, we report that no fraud by the Company or no fraud on the Company by the officers and employees of the Company has been noticed or reported during the year.

(xi) According to the information and explanation given to us and based on our examination of records of the company, the company has paid/provided for managerial remuneration in accordance with requisite approvals mandated by provisions of section 197, read with schedule V to the act.

(xii) In our opinion, the company is not a NIDHI company. Accordingly paragraph 3 (xii) of the order is not applicable.

(xiii) According to the information and explanation given to us and based on our examination of the records of the company transactions with the related parties are in compliance with section 177 and 188 of Companies Act 2013, where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.

(xiv) According to the information and explanation given to us and based on our examination of the records of the company, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.

(xv) According to the information and explanation given to us and based on our examination of the records of the company, the company has not entered into any non-cash transaction with directors or persons connected with him as referred to in section 192 of Companies Act, 2013.

(xvi) The company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

**For S.K.KHANDELWAL & ASSOCIATES
CHARTERED ACCOUNTANTS
FRN 002305C**

**Place: Indore
Date: 30.05.2019**

**S.K. KHANDELWAL
PARTNER
M.NO. 071189**

Annexure – B to the Independent Auditors' Report

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

We have audited the internal financial controls over financial reporting of **M/s GODHA CABCON & INSULATION LIMITED** as of 31st March, 2019 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

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

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

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations 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, to the best of our information and according to the explanation given to us, 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 2019, 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 S.K.KHANDELWAL & ASSOCIATES
CHARTERED ACCOUNTANTS
FRN 002305C**

**Place: Indore
Date: 30.05.2019**

**(S.K.KHANDELWAL)
PARTNER
M.NO. 071189**

GODHA CABCON & INSULATION LTD.
CIN NO: U31909MP2016PTC041592
BALANCE SHEET AS AT 31.03.2019

Rs. In Lakhs

Particulars	Note No.	31st March 2019	31st March 2018
(1) ASSETS			
Non Current Assets			
(a) Property, Plant and Equipments			
(i) Tangible assets	2	160.51	171.56
(b) Deferred Tax Assets (Net)	3	(0.61)	1.47
(c) Non Other Current Assets	4	14.10	15.46
Sub-Total		174.00	188.50
Current Assets			
(a) Inventories	5	53.61	323.32
(b) Financial Assets			
(i) Trade Receivables	6	3833.26	2222.64
(ii) Cash & Cash equivalents	7	230.83	232.52
(c) Other Current Assets	8	178.47	197.67
Sub-Total		4296.17	2976.16
Total Assets		4470.17	3164.65
EQUITY AND LIABILITIES			
Equity			
(a) Equity Share capital	9	1110.40	810.00
(b) Other Equity	10	1340.77	551.91
Sub-Total		2451.17	1361.91
LIABILITIES			
Non-Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	11	37.37	334.59
Sub-Total		37.37	334.59
Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	12	795.78	601.88
(ii) Trade Payables	13	873.76	533.57
(iii) Other Financial Liabilities	14	288.28	300.40
(b) Other Current Liabilities	15	23.81	18.68
(c) Current Tax Liabilities (Net)	16	0.00	13.62
Sub-Total		1981.64	1468.15
Total Equity and Liabilities		4470.17	3164.65

See accompanying notes forming part of the financial statements As per our report of even date annexed

Dipesh Godha
(CEO & Director)

Rupali Godha
(Director)

For S.K.Khandelwal & Associates
Chartered Accountants
FRN :- 002305C

Kapil Verma
(CFO)

Shivani Gupta
(Company Secretary)

S.K. KHANDELWAL
Partner
M.No 071189

Place: Indore
Date: 30.05.2019

GODHA CABCON & INSULATION LTD
CIN NO: U31909MP2016PTC041592
STATEMENT OF PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED
31.03.2019

Rs. In Lakhs			
Particulars	Note No.	31st March 2019	31st March 2018
REVENUE			
Gross Revenue from operations	17	8576.56	5040.47
Less: GST Recovered		1313.61	769.09
Net Revenue from Operations		7262.95	4271.38
Other income	18	149.20	33.32
Total Revenue		7412.16	4304.69
EXPENSES			
Cost of Material Consumed	19	6893.46	3875.06
Employee benefits expense	20	79.07	45.99
Finance costs	21	151.18	142.29
Other expenses	22	214.53	125.42
Total expenses		7361.75	4209.62
Profit from operations before exceptional items and tax		50.41	95.08
Exceptional Items		0.00	47.10
Profit/ (loss) before Tax		50.41	142.18
Tax expense:			
(1) Current tax		12.41	38.62
(2) Deferred tax		2.08	-1.47
Profit for the Period (V-VI)		35.92	105.04
Other Comprehensive Income		0.00	0.00
Total Comprehensive Income		35.92	105.04
Earnings per equity share:			
(1) Basic		0.32	2.16
(2) Diluted		0.32	2.16
See accompanying notes forming part of the financial statements as per our report of even date annexed			
Dipesh Godha (CEO & Director)	Rupali Godha (Director)	For S.K.Khandelwal & Associates Chartered Accountants FRN :- 002305C	
Kapil Verma (CFO)	Shivani Gupta (Company Secretary)	S.K. KHANDELWAL Partner M.No 071189	
Place: Indore Date: 30.05.2019			

**NOTES FORMING PART OF THE FINANCIAL STATEMENT
FOR THE PERIOD ENDED 31ST MARCH, 2019**

NOTE-1

BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES

(A) BASIS FOR PREPARATION

These financial statements are prepared in accordance with Indian Accounting Standards (Ind AS) under the historical cost convention on the accrual basis, the provisions of Companies Act, 2013 ('the Act'), and Guidelines issued by Securities Exchange Board of India (SEBI). Ind AS is prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standard) Rules, 2015. Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

(B) SIGNIFICANT ACCOUNTING POLICIES

A. Use of Estimates

The preparation of financial statements requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognized in the period in which the results are known/ materialized.

B. Revenue Recognition

- (a) Revenue is recognized only when it can be reliably measured and it is reasonable to expect ultimate collection. Revenue from operations include sale of goods including GST.
- (b) Interest on F.D.R is taken on accrual basis.

C. Property, Plant & Equipment

Property, Plant & Equipment are stated at cost less accumulated depreciation .The cost of fixed assets includes taxes & duties (non-recoverable), freight and other incidental expenses incurred in relation to the acquisition and bringing the assets for their intended use.

D. Depreciation

Depreciation is provided on the Straight Line Method (SLM) over the estimated useful lives of the assets. The useful life of asset is as prescribed in schedule II of Companies Act 2013.

Depreciation on additions to the assets and the assets sold or disposed off, during the year is provided for on prorata basis at their respective useful life or rate of depreciation as

prescribed with reference to the date of acquisition/ installation or date of sale/disposal.

E. Inventories

- (i) Raw Material and Finished Goods is valued at lower of cost or market value.
- (ii) Packing Material is valued at cost.

F. Employee Benefits

- (i) Short-term employee benefits are recognized as an expense at the undiscounted amount in the profit and loss account of the year in which the related service is rendered.
- (ii) Recognition of Post-employment and other long term employee benefits are not provided for as the same is not applicable to the company right now.

G. Impairment of Assets

An asset is impaired if there are sufficient indication that the carrying cost would exceed the recoverable amount of cash generating assets. In that event an impairment loss so computed would be recognized in the account in the relevant year.

H. Earnings per share

The Company reports Earnings per Share (EPS) in accordance with Ind-AS 33 on Earning per share. EPS is computed by dividing the net profit for the year by the number of equity shares during the year.

I. Taxation

Provision for current tax is made after taking into consideration benefits admissible under the provisions of the Income-tax Act, 1961. Deferred tax resulting from “timing difference” between taxable and accounting income is accounted for using the tax rates and laws that are enacted or substantively enacted as on the balance sheet date.

J. Provisions, Contingent Liabilities and Contingent Assets

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent Liabilities are not recognized but are disclosed in the notes (if any). Contingent Assets are neither recognized nor disclosed in the financial statements.

K. Cash Flow Statement

Cash flows are reported using the indirect method, whereby net profit before tax is adjusted for the effects of transactions of a non cash nature and any deferral and accruals of past or future cash receipts or payment. The cash flows from regular operating, investing and financing activities of the Company are segregated.

M/S GODHA CABCON & INSULATION LTD.
CIN NO: U31909MP2016PTC041592
NOTES TO THE ACCOUNTS FOR THE YEAR ENDED

Particulars	Current Year 31st March 2019	Rs. In Lakhs Previous Year 31st March 2018
<u>NOTE-02</u>		
<u>PROPERTY, PLANT & EQUIPMENT</u>		
Tangible Assets (As per Schedule attached)	160.51	171.56
TOTAL Rs.	160.51	171.56
<u>NOTE-03</u>		
<u>DEFERRED TAX ASSETS</u>		
Related to Fixed Assets (Liability)	(0.61)	0.05
Related to Preliminary Expenses (Asset)	0.00	1.42
TOTAL Rs.	(0.61)	1.47
<u>NOTE-04</u>		
<u>OTHER NON CURRENT ASSETS</u>		
Deposits with Central Excise and State authorities	14.10	15.46
TOTAL Rs.	14.10	15.46
<u>NOTE-05</u>		
<u>INVENTORIES</u>		
Raw Material	49.52	303.32
Packing Material	4.08	20.00
TOTAL Rs.	53.61	323.32
<u>NOTE-06</u>		
<u>TRADE RECEIVABLES</u>		
(Unsecured Considered Good)		
Debt due by Associate Concerns	2102.01	385.36
Others	1731.26	1837.28
TOTAL Rs.	3833.26	2222.64
<u>NOTE-07</u>		
<u>CASH & CASH EQUIVALENTS</u>		
Cash in hand	34.27	12.09
Balance with Bank	29.43	28.20
Balances with bank in fixed deposit to the extent held as security against bank guarantee including FDR held for maturity having more than 12 months	167.13	192.23
TOTAL Rs.	230.83	232.52

NOTE-08**OTHER CURRENT ASSETS**

Security Deposits	9.90	0.00
Accrued Interest	9.30	8.32
Income Tax Receivables	9.25	0.97
Advances to suppliers	35.55	62.52
Advances against Expenses (to be recoverable in cash or kind)	59.82	0.35
Other loans and advances	1.70	0.00
Balance with GST, Central and State Authorities	49.31	93.91
Prepaid Expenses	3.63	31.60
	178.47	197.67

NOTE-09**EQUITY SHARE CAPITAL****AUTHORISED**

1,25,00,000 (1,00,000) Equity Shares of Rs 10/- each	1250.00	1250.00
TOTAL Rs.	1250.00	1250.00

ISSUED, SUBSCRIBED AND FULLY PAID UP CAPITAL

1,11,04,000 (81,00,000) Equity Shares of Rs 10/-each fully paid up	1110.40	810.00
TOTAL Rs.	1110.40	810.00

Notes

1. During the financial year 2018-19 the company has issued and allotted 3004000 Equity Shares of Rs.10.00 each on at a price of Rs.33.00 per Equity Shares.

Terms / rights attached to equity shares:

1. The company is having only one class of Equity shares with par value of Rs.10.00 per share.
2. Right to receive dividend as may be approved by the Board of Directors / Annual General Meeting.
3. The equity shares are not repayable except incase of a buy back, reduction in capital or winding up in terms of the Provisions of the Companies Act, 2013
4. Every member of the company holding equity shares has a right to attend the General Meeting of the Company and has a right to speak and on a show of hands has one vote if he is present in person and on poll shall have the right to vote in proportion to his share of the paid up capital of the company.

A Reconciliation of Shares outstanding at the beginning and at the end of the year

No.of shares outstanding at the beginning of the year	8100000.00	15000.00
Shares issued	3004000.00	8085000.00
No.of shares outstanding at the end of the year	11104000.00	8100000.00

B Details of Share Holders holding more than 5% share in company

	As at 31st March, 2019	As at 31st march, 2018
	No. of % of shares	No. of % of shares
Smt.Madhu Godha	7858460 70.77%	7858460 97.018%

NOTE-10**OTHER EQUITY****A. SECURITY PREMIUM ACCOUNT**

Opening Balance	442.78	0.00
Add: Securities Premium on account of shares issued	757.34	442.78
Closing Balance	1200.12	442.78

B. PROFIT AND LOSS ACCOUNT

Opening Balance	104.74	(0.30)
Add:Net Profit after tax transferred from Statement of Profit and loss	35.92	105.04
Closing Balance	140.65	104.74

C. SHARE APPLICATION MONEY PENDING ALLOTMENT

Opening Balance	4.39	0.00
Add: Application money received during the year	0.00	4.39
Less: Amount Paid	4.39	0.00
Closing Balance	0.00	4.39
Total Rs. (A+B+C)	1340.77	551.91

NOTE-11**LONG TERM BORROWINGS****SECURED LOANS**

Term Loan from Banks *	8.38	30.43
Term Loan from Hero Finance *	0.64	21.84
	9.02	52.28

UNSECURED LOANS

From Banks and NBFC *	28.34	282.32
	28.34	282.32

TOTAL Rs.	37.37	334.59
------------------	--------------	---------------

NOTE-12

SHORT TERM BORROWINGS

Cash Credit from Union Bank of India *	795.78	601.88
Loan from Directors	0.00	0.005
TOTAL Rs.	795.78	601.88

*** Nature of Security & Repayment**

Terms

1. Cash Credit facility of Rs.8,00,00,000.00 from Union Bank of India is secured by way of Equitable mortgage/ hypothecation of all fixed assets of Company and by way of equitable mortgage of Residential house property of directors, personal guarantee of directors and by way of hypothecation of all current assets of the company. Cash credit facilities are repayable on demand. Rate of Interest is 10.45%. Balance as on 31.03.2019 is Rs.795.78 lakhs.

NOTE-13

TRADE PAYABLES

Sundry Creditors for Goods and Expenses	873.76	533.57
TOTAL Rs.	873.76	533.57

NOTE-14

OTHER FINANCIAL LIABILITIES

Current Maturity of Long term debt	288.28	300.40
TOTAL Rs.	288.28	300.40

Note: Repayment terms and rate of interest in Current maturity of long term debts is included in Note-10 along with Long term borrowings.

NOTE-15

OTHER CURRENT LIABILITIES

Sundry Creditors for Expenses	0.00	6.68
Advance from Customers	0.07	10.78
Statutory and Other Dues	23.74	1.22
TOTAL Rs.	23.81	18.68

NOTE-16

CURRENT TAX LIABILITIES

Provision for Income Tax	0.00	13.62
TOTAL Rs.	0.00	13.62

NOTE-17

REVENUE FROM OPERATIONS

Value of Sales	8576.56	5040.47
TOTAL Rs.	8576.56	5040.47

Details of Sales**Raw Material**

Aluminium Wire	2920.93	96.59
----------------	---------	-------

Finished Goods

Aluminium Conductor	2541.11	4094.41
---------------------	---------	---------

E.C. Grade Bare	747.13	33.14
-----------------	--------	-------

Steel Wire	2367.39	816.33
------------	---------	--------

TOTAL Rs.	8576.56	5040.47
------------------	----------------	----------------

NOTE-18**OTHER INCOME**

Interest	114.91	12.45
----------	--------	-------

Discount received	13.69	20.21
-------------------	-------	-------

Insurance Claimed	5.27	0.00
-------------------	------	------

Other Income	15.33	0.66
--------------	-------	------

TOTAL Rs.	149.20	33.32
------------------	---------------	--------------

NOTE-19**COST OF MATERIAL****CONSUMED**

Opening Stock	303.32	0.00
---------------	--------	------

Add: Purchases	6639.66	4178.39
----------------	---------	---------

	6942.99	4178.39
--	---------	---------

Less: Closing Stock	49.52	303.32
---------------------	-------	--------

TOTAL Rs.	6893.46	3875.06
------------------	----------------	----------------

Details of Raw Material**Consumed**

Wire Rod*	4979.60	3092.23
-----------	---------	---------

Steel Wire	1913.86	782.84
------------	---------	--------

TOTAL Rs.	6893.46	3875.06
------------------	----------------	----------------

* Aluminium Wire Rod includes Sales of Wire Rod in the same form.

NOTE-20**EMPLOYEE BENEFITS****EXPENSE**

Salary & wages	31.07	25.99
----------------	-------	-------

Director's Remuneration	48.00	20.00
-------------------------	-------	-------

TOTAL Rs.	79.07	45.99
------------------	--------------	--------------

NOTE-21**FINANCE COSTS**

Interest to Bank & others	146.20	129.03
---------------------------	--------	--------

Bank Charges & Commission	4.98	13.26
---------------------------	------	-------

TOTAL Rs.	151.18	142.29
------------------	---------------	---------------

NOTE-22**OTHER EXPENSES**

Freight Charges	28.85	1.91
-----------------	-------	------

Power Expenses	21.05	19.74
----------------	-------	-------

General Expenses	16.52	14.71
------------------	-------	-------

Packing Material	45.74	70.48
Annual Fees (CDSL+NSDL)	0.45	0.50
IPO Expenses	56.35	0.00
ROC Charges	6.52	6.93
Rates and Taxes	1.90	1.81
Insurance Premium	5.81	0.33
Travelling expenses	1.75	1.49
Legal & Professional Charges	2.18	0.26
Donation	0.05	0.41
Financial Consultancy Charges	4.10	0.15
Liasion Charges	7.07	1.11
Repair and Maintenance	3.42	1.61
Vehicle Running Expenses A/c	10.26	1.47
Validation Fees	0.21	0.00
Share Maintenance Expenses	0.31	0.00
Audit fee	2.00	2.50
TOTAL Rs.	214.53	125.42

NOTE-23

CONTINGENT LIABILITY

Guarantees:

Outstanding Guarantees furnished to MPEB in respect of Performance Bank Guarantee	648.43	880.93
---	--------	--------

Claims/Disputed Liabilities not acknowledged as debt*:

Excise Duty - The Central Excise Act, 1944	118.40	137.41
Other Claim pertaining to Claims by customer for lower quality of product	183.87	183.87

* The company has been advised that the demand is likely to be either deleted or substantially reduced and accordingly no provision is considered necessary.

NOTE-24

RELATED PARTY DISCLOSURE

Names of Related parties and Description of relationship

A. Key Management Personnel

Smt. Madhu Godha
Mr. Dipesh Godha
Smt. Rupali Godha

B. Related Company:-

Madhu Cables & Conductors Pvt. Ltd.

Transaction during the year with related parties

Net Unsecured Loan taken

Smt. Madhu Godha	KMP	0.00	0.005
		0.00	0.005

Sales			
Madhu Cables & Conductors Pvt. Ltd.	Related Company	4884.81	1338.77
		4884.81	1338.77
Purchases			
Madhu Cables & Conductors Pvt. Ltd.	Related Company	0.21	729.44
		0.21	729.44
Director's Remuneration			
Smt. Madhu Godha	KMP	12.00	5.00
Mr. Dipesh Godha	KMP	24.00	10.00
Smt. Rupali Godha	KMP	12.00	5.00
		48.00	20.00
Balances at the end of the year			
Net Unsecured loan payable			
Smt. Madhu Godha	KMP	0.00	0.005
		0.00	0.00
Debtors			
Madhu Cables & Conductors Pvt. Ltd.	Related Company	2102.01	385.36
		2102.01	385.36
Director's Remuneration Payable			
Mr. Dipesh Godha	KMP	0.00	3.00
		0.00	3.00
Net Short Term Advances receivables			
Mr. Dipesh Godha	KMP	0.00	0.35
		0.00	0.35

As per our report of even date annexed

Dipesh Godha
(CEO & Director)
(Director)

Rupali Godha

For S.K.Khandelwal & Associates

Chartered Accountants
FRN :- 002305C

Kapil Verma
(CFO)

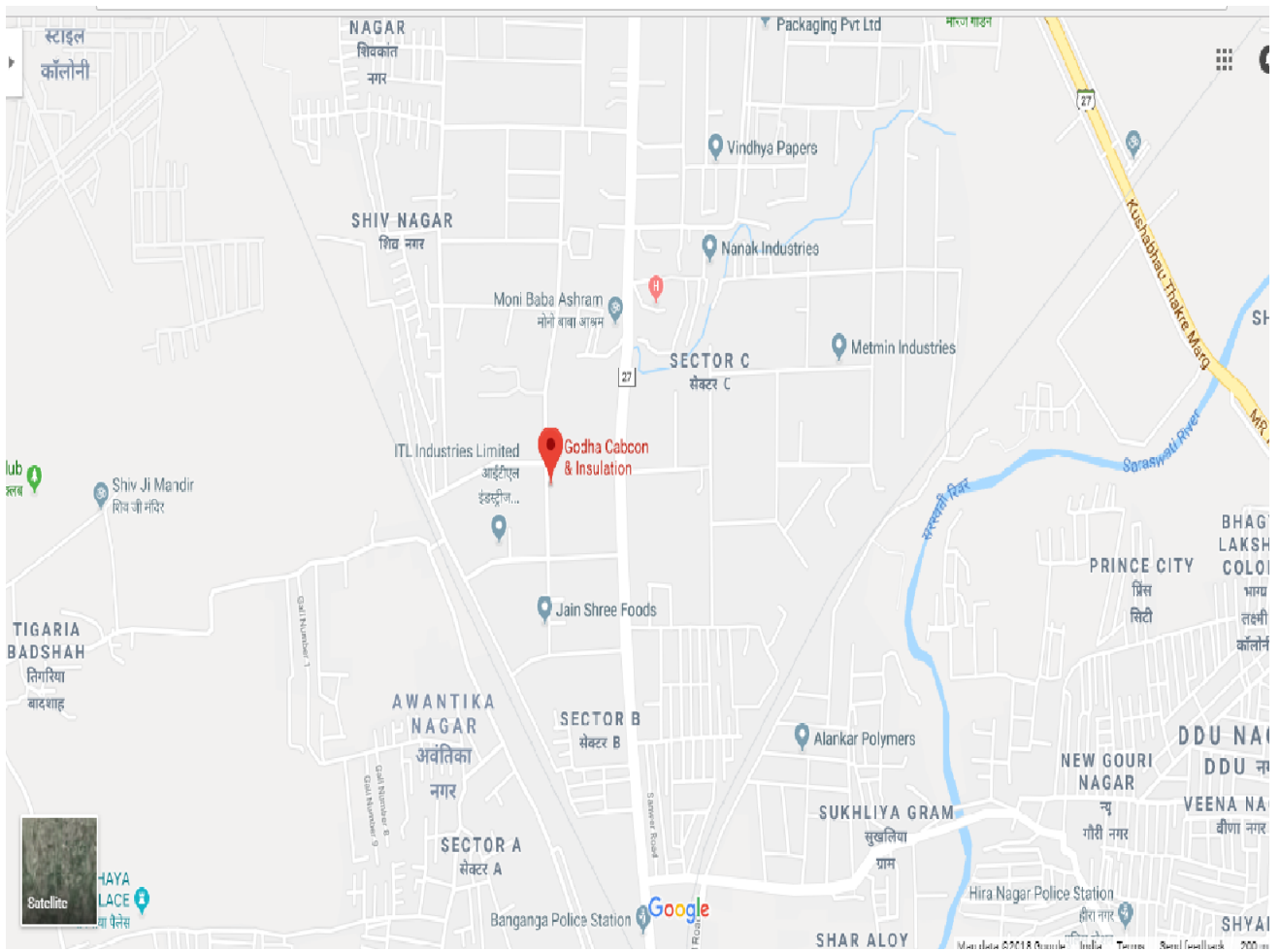
Shivani Gupta
(Company Secretary)

(S.K. KHANDELWAL)
Partner

PLACE: INDORE
DATE: 30.05.2019

M.No 071189

Road Map of the AGM Venue



ATTENDANCE SLIP

GODHA CABCON & INSULATION LTD

(CIN: L31909MP2016PLC041592)

36-D, SECTOR B, INDUSTRIAL AREA, SANWER ROAD, INDORE (M.P.)

Please complete attendance slip and hand it over at the entrance of the meeting hall.

Attendance by(Please tick appropriate box)

Member/Shareholder

Name of Shareholder:

Proxy

Address:

Authorised Representative

Folio No./DP ID:

No. of shares held:

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 and Address of Shareholder

(In block letters)

Email-ID: _____ Registered folio no.: _____

No. of shares held: _____ DPID & Client ID: _____

I/We, being the member(s) of Shares of the above named Company, hereby appoint.

1. Name : _____
Address : _____
Email ID : _____ Signature :..... or failing
him

2. Name : _____
Address : _____
Email ID : _____ Signature :..... or failing
him

3. Name : _____
Address : _____
Email ID : _____ Signature :..... or failing
him

as my/ our Proxy to vote (on a poll) for me/ us and on my/ our behalf at 3rd Annual General Meeting to be held on, 26th September 2019 at 2:00 p.m. at its Registered Office and at any adjournment thereof in respect of all resolutions proposed to be passed therein as under:

Resolution No.	Resolution Details	I assent to the resolution	I dissent to the resolution
----------------	--------------------	----------------------------	-----------------------------

Ordinary Business:

1. Adoption of Financial Statement for the year 2018-19, together with the reports of the Auditor and the Board thereon.
2. Appointment of Director in place of Mrs. Madhu Godha (DIN:07607783), who retires by rotation and being eligible, has offered herself for reappointment

Signed this ____ day of ____ 2019

Signature of Shareholder(s) :

Signature of Proxy holder(s) :

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. For the resolutions, Explanatory Statement and Notes, please refer to the Notice of the 4th Annual General Meeting.