

20th
ANNUAL REPORT
2013-2014



SHREE METALLOYS LIMITED

TWENTIETH ANNUAL REPORT 2013-14**BOARD OF DIRECTORS**

Pratik R. Kabra	<i>Chairman & Managing Director (DIN:00006358)</i>
Jogesh D. Choksi	<i>Whole-time Director (DIN:00006630)</i>
Devendra P. Jain	<i>Director (DIN:00170775)</i>
Bhupendra Singh Rajput	<i>Director (DIN:00853722)</i>

AUDITORS

M/s. Bharadia Maheshwari & Associates,
Chartered Accountant,
Ahmedabad

BANKERS

Punjab National Bank
ICICI Bank
Axis Bank

REGISTRAR & SHARE TRANSFER AGENT

MCS Ltd.
Shatdal Complex,
Ashram Road,
Ahmedabad-380009
Email: mcsahmd@gmail.com

REGISTERED OFFICE

A/2, North View Apartment,
St. Xaviers College Road,
Navrangpura,
Ahmedabad -380009
Email: shreemetalloys@gmail.com

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NOTICE

(CIN:L67120GJ1994PLC023471)

NOTICE is hereby given that the 20th Annual General Meeting of the members of Shree Metalloys Limited will be held on Monday, 29th day of September, 2014 at 2.00 p.m. at Registered office of the company at A/2, North View Apartment, St. Xaviers College Road, Navrangpura, Ahmedabad – 380009 to transact the following business.

ORDINARY BUSINESS:

- (1) To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2014 and Statement of Profits & Loss and Cash Flow Statement for the financial year ended on 31st March, 2014 and Report of Directors and Auditors thereon.
- (2) To appoint a Director in place of Mr. Devendra P. Jain who retires by rotation and being eligible, offers himself for re-appointment.
- (3) To re-appoint Auditors of the Company and fix their remuneration.

SPECIAL BUSINESS

- (4) Increase in Borrowing power Limit of the Board of Directors on behalf of Company
To consider and, if thought fit, to pass with or without modifications, the following resolution as a Special Resolution:-

"RESOLVED THAT pursuant to the provisions of Section 180 (1) (c) of the Companies Act, 2013 and other enabling provisions, if any, consent of the Company be and is hereby accorded to the Board of Directors of the Company for borrowing any sum or sums of moneys for and on behalf of the Company, from time to time from any one or more persons, firms, bodies corporate, bankers, financial institutions, or from others by way of advances, deposits, loans or otherwise and whether unsecured or secured by mortgage, charge, hypothecation or lien or pledge of the Company's assets and properties, whether movable or immovable or stock-in process and debts, advances notwithstanding that the sum or sums of moneys so borrowed together with moneys, if any, already borrowed by the Company (apart from the temporary loans obtained from the Company's bankers in the ordinary course of business) will or may exceed the aggregate of the paid up capital of the Company and its free reserves which have not been set apart for any specific purpose, provided that the total amount upto which the moneys may be borrowed shall not exceed Rs.10 crores (Rupees Ten Crores Only) at any point of time on account of the principal.

Regd. Office
A/2, North View Apartment,
St. Xaviers College Road,
Navrangpura, Ahmedabad -380009
Date : 12/08/2014
Place : Ahmedabad

By Order of the Board
For, **Shree Metalloys Limited**

Pratik R. Kabra
Chairman & Managing Director
DIN: 00006358

Notes:

- 1) A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ALSO ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF AND PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXIES IN ORDER TO BE EFFECTIVE, MUST BE RECEIVED BY THE COMPANY AT ITS REGISTRERD OFFICE AT LEAST 48 HOURS BEFORE THE TIME OF MEETING.
- 2) All valid proxies must be deposited at the Registered Office of the company at least 48 hours before the commencement of the meeting.
- 3) Members are requested to bring their copies of Annual Report to the meeting.
- 4) Register of members and share transfer books of the company will remain closed from 22/09/2014 to 29/09/2014 (both days inclusive).
- 5) Shareholders desirous of any information on records of accounts are requested to write to the Company before 10 days of Annual General Meeting so as to enable the Management to keep the information ready.
- 6) The copies of relevant documents can be inspected at the Registered Office of the Company on any working day between 11.00 a.m. to 5.00 p.m.
- 7) Equity Shares of the Company are available for dematerialisation, as the Company has entered into an agreement with both National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) for dematerialization services of its Equity Shares. Those Shareholders who wish to hold shares in electronic form may approach their Depository Participant. ISIN No. of the Company's Equity Share is INE914B01012.

Brief resume of the Director seeking re-election at the 20th Annual General Meeting

Name	Mr. Devendra P. Jain
Age (Date of Birth)	02/11/1968
Date of Appointment	01/10/2008
Qualification and experience in specific functional area	Chartered Accountant doing practice in the field of Finance and Audit, having more than 20 years of experience.
Directorship held in other ltd. Companies	1. Jindal Worldwide Limited*
Membership/Chairmanships of any Committee in other Companies	1. Jindal Worldwide Limited *

*Upto August 01, 2014.

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Chairman & Managing Director
DIN: 00006358

EXPLANATORY STATEMENT AS REQUIRED UNDER SECTION 102 OF THE COMPANIES ACT, 2013.

In conformity with the provisions of Section 102 of the Companies Act, 2013, following Explanatory Statement sets out all material facts relating to the Special Business mentioned at Item No. 4 of the accompanying notice dated 12th August, 2014 should be taken as forming part of Notice.

Item No. 4

As per the provisions of Section 180(1)(c) of the Companies Act, 2013, and all other applicable provisions, if any, the Board of Directors of a Company cannot borrow money (apart from temporary loans obtained from the company's bankers in the ordinary course of business) in excess of the Company's Paid-up Capital and Free Reserves without the consent of the shareholders by a special resolution in the General Meeting.

The sanction of the shareholder is sought to permit the Board to borrow money in excess of the Company's capital and free reserves. This is permissible under section 180(1)(c), if the shareholders approve it. To enable the Board to borrow in excess of their limit, your Board thinks it necessary to acquire this power and commends passing of this resolution.

The Resolution set out at item No. 4 of the notice is put forth for consideration of the members as a Special resolution pursuant to section 180 (1) (c) of the Companies Act, 2013, authorizing the Board of Directors to borrow upto a sum of Rs.10 Crores.

Your Directors recommend the above Resolution for your approval.

None of the Directors of the Company are in any way concerned or interested in the said resolution.

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Pratik R. Kabra
Chairman & Managing Director
DIN: 00006358

DIRECTOR'S REPORT

Dear Members,

Your Directors have pleasure in presenting the 20th Annual Report together with the Audited Accounts of the Company for the year ended on 31st March, 2014.

FINANCIAL RESULTS:

	2013-14	(In Lacs) 2012-13
Total Income (Net)	4792.05	4219.66
Total Expenditure	4756.92	4194.91
Gross Profit / (Loss)	35.13	24.75
Less : Depreciation	1.97	2.62
Provision for taxation	10.75	7.22
Earlier Years Tax	0.58	0.15
Deferred Tax	(0.11)	(0.18)
Extraordinary Item (Investment Written off)	10.49	-
Profit / (Loss) after Tax	11.45	14.94

Your directors are confident and optimistic of achieving upward growth and achieving much better results in the coming years.

DIVIDEND:

Since the company is on the verge of growth and development your directors are unable to recommend any dividend in the current fiscal.

MANAGEMENT DISCUSSION AND ANALYSIS AND INDUSTRY OUTLOOK:

The board of directors believes in the strict compliance of provisions of listing agreement and believes in better corporate governance. The disclosure standards are adhered and boards of directors as well as top management personnel have adopted code of conduct. The disclosures as required under clause 49 of the listing agreement is forming part of this report as a separate annexure in the form of report.

Your directors are in the process of making diversification of its business in the manufacturing and trading metal and other allied activities. Your directors are optimistic of achieving commendable growth in the coming years.

INSURANCE:

The company has taken sufficient insurance for the properties against risks of fire, strike, riot and earthquake.

PARTICULARS OF EMPLOYEES:

The particulars of the employee of the Company drawing total remuneration of Rs.60,00,000/- per annum or Rs.5,00,000/- per month as required U/S 217 (2A) of the Companies Act, 1956 is Nil.

FIXED DEPOSITS:

Your Company has not accepted any deposits and, as such, no amount of principal or interest was outstanding on the date of balance sheet.

DIRECTORS:

Mr. Devendra P. Jain, Director of the Company, liable to retire by rotation and being eligible offers himself for reappointment.

DIRECTORS' RESPONSIBILITY STATEMENT - SECTION 217 (2AA) OF THE COMPANIES ACT, 1956:

The Board of Directors states:

- 1) that in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- 2) that the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;
- 3) that the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- 4) that the Directors had prepared the annual accounts on a going concern basis.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO:**1) CONSERVATION OF ENERGY :**

- A. Energy Conservation measures taken: The Company gives top most priority to energy conservation.
- B. Additional investment and proposal if any being implemented for reduction in consumption of energy : NIL
- C. Energy consumption in terms of electricity, LDO and Gas NIL.
- D. Total energy consumption and energy consumption per unit of production: NIL.

2) TECHNOLOGY ABSORPTION :

- A. Adoption and innovation : N.A.
- B. Research and development (R & D) : NIL

3) FOREIGN EXCHANGE EARNINGS AND OUT GO :**OUT GO**

CIF Value of Import : Rs.44,76,446/-

Expenditure in Foreign Currency : NIL

EARNING : NIL

CORPORATE GOVERNANCE:

Your directors are pleased to inform you during the year provisions relating to the Corporate Governance as per listing Agreement has become applicable and has complied with the various requirements a report along with certificate is attached forming part of this report.

AUDITORS:

The present Auditors of the Company M/s. Bharadia Maheshwari & Associates, Chartered Accountants, Ahmedabad were appointed as Auditors and will retire at the ensuing Annual General Meeting. M/s. Bharadia Maheshwari & Associates, Chartered Accountants have submitted certificate for their eligibility for appointment under section 139 of the Companies Act, 2013. Board of Directors of your Company favour their re-appointment as Statutory Auditors' of the Company and such re-appointment if done, shall be upto the next Annual General Meeting of the Company.

AUDITORS REPORT AND COMMENTS:

Relating to qualification cited by auditors, the Board of Directors of the company like to comment as under:-

1. Valuation of investments at cost as stated in note no. 42.

Note no. 42. Company has made investment in certain companies and out of them Advance Bio Chem (India) Ltd., Shree ji Phosphate Ltd., Zora Pharma Ltd., are suspended and delisted at BSE therefore the company has shown investments in shares of these companies under the category of unquoted investment. The management continuously update its information from BSE and is hopeful to realize the value of investment, therefore no provision has been made for the possible diminution in the value of shares held as investment.

2. Non Provision for Depreciation on Plant & Machinery as stated in note no.45.

Note no.45. The Company has not provided any Depreciation on Plant & Machinery during the year, as the company has not started production and even depreciation charged in the year 2009-10, was reversed back in next year i.e. 2010-11. As there was dispute with Paschim Gujarat Vij Company Ltd. (PGVCL), the supplier of power, relating to certain charges in the previous years. The Company has won the case against the PGVCL and pursuing to re-start its power connection. The Company has already incurred certain expenditure to re-start its plant during the year and taking all necessary steps to re-start commercial operation from its existing plant. Once the company starts commercial production, depreciation will be charged as per the applicable rate.

ACKNOWLEDGEMENT

Your Directors would like to express their appreciation for the support extended by Bankers and Office bearers of Government Department and Financial Institutions. Your Directors also place on record their deep appreciation of the services rendered by the Officers, staff and workers of the company at all levels. Your Directors also acknowledge the continued invaluable support extended by you - our shareholders- and the confidence that you have placed in the company.

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By Order of the Board
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Pratik R. Kabra
Chairman & Managing Director
DIN: 00006358

MANAGEMENT DISCUSSION & ANALYSIS REPORT**i) Industry Structure and Development**

The Company is engaged in the business of trading of ferrous, non ferrous and precious metals. The Company intends to extend its area of operations to manufacturing sector of ferrous and non-ferrous metals. The metal industry in which the Company is dealing is recently having trends of volatility and there are very good chances for the Company to develop its area of operation in the metal industry.

Metals sector have always been in the forefront of a nation's economy and India is no exception. Both ferrous and non ferrous metals are equally important towards building up the country's future. Ferrous metals are definitely more in use in India, but at the same time non ferrous metals are also gradually taking the centre stage and the time is not far when it will be regarded as the future. India is one of the richest reserves of all the raw materials required for the metal industry i.e. land, capital, cheap labour, power, coal etc.

ii) Opportunities and Threats

For market players of Metal industry, a major cause of volatility is the cost of raw materials, which has been exacerbated by the change from annual to shorter-term price contracts. Shortages in supply have enabled suppliers to re-engineer the pricing mechanisms. However, this has created challenges for market players. They now have to deal not only with the increased volatility in raw material prices, but also with how to maintain margins with fluctuating demand. These developments are significantly affecting the earnings of the Metal industry and try to achieve stability in Metal market.

iii) Internal Control system and their adequacy

The Company has adequate system of internal control commensurate with its size and operations to ensure orderly and efficient conduct of the business. These controls ensure safeguard of assets, reduction and detection of frauds and error, adequacy and completeness of the accounting record and timely preparation of reliable financial information.

iv) Financial performance with respect to operational performance

The financial performance of the Company for the year 2013-14 is described in the Directors Report.

v) Human Resources/ Industrial Relations

Your Company has undertaken certain employees' Development initiative which have very positive impact on the moral and team spirit of the employees. The Company has continued to give special attention to Human Resource/ Industrial Relations development. Industrial relations remained cordial throughout the year and there was no incident of strike, lock-out etc.

vi) Cautionary Statement:-

Statement in this Management Discussion and Analysis describing the company's objectives, projections, estimated and expectations are "forward looking statements" Actual results might differ, materially from those anticipated because of changing ground realities

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CORPORATE GOVERNANCE REPORT 2013-14

(As required under Clause 49 of the Listing Agreements)

The Directors presents the Company's report on Corporate Governance in accordance with the provisions of clause 49 of the Listing Agreement with stock exchanges.

THE COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE:

Company's philosophy is to constantly achieve business excellence and optimize long term value through ethical business conduct.

Being a value driven organization the Company envisages attainment of the highest level of transparency, accountability and equity in all facets of its operations including everyone it works with, the community it is in touch with and the environment it has an impact. Strong Governance practices by the Company have boosted the level of stakeholder's confidence.

The corporate governance structure in the Company ensures that its Board of Directors is well informed and well equipped to fulfill its overall responsibility by way of providing strategic direction to the senior management, employees, etc. which is needed to meet the aspirations of all stakeholders, including societal expectations. It's initiatives towards adhering to highest standards of governance include: professionalization of the Board; fair and transparent processes and reporting systems. At the highest level the Company continuously endeavors to improve upon these aspects on an ongoing basis and adopt innovative approaches for leveraging resources, converting opportunities into achievements through proper coordination, empowerment and motivation, fostering a healthy all round growth and development to take the Company forward.

THE BOARD OF DIRECTORS

The Board consists of 4 Directors showing the fair combination of Executive, Non-Executive and Independent Directors. The directors are different in respect of the knowledge and expertise in the field. Some of the directors are professionals from different field; some are having the vast knowledge and experience of marketing/production.

(A) COMPOSITION, CATEGORY AND ATTENDANCE OF BOARD OF DIRECTORS

As on March 31, 2014, the Board of Company consisted of 4 Director out of whom 2 are Non-Executive Directors, 1 is Executive Director comprising Whole time Director designated as Executive Director and 1 is Managing Director. The composition of the Board is in conformity with the requirements of Clause 49 of the Listing Agreement. The composition of the Board, number of Board Meetings held, attendance of the Directors at the Board Meetings and last Annual General Meeting and the number of Directorship and Chairmanship/Membership of Committees in other Companies in respect of each Director is given below:

Sr. No.	Name of Director	Category	Attendance Particulars		No. of Directorship(s)/ Committee Membership(s)/Chairmanship(s) of Other Companies			
			No of Board Meeting during FY 2013-14	At AGM held on September 11, 2013	Other Director ship(s)	Committee Member ship(s)	Committee Chairmanship(s)	
			Held	Attended				
1.	Mr. Pratik R. Kabra	Managing Director, Non-independent	4	4	Yes	N.A	N.A	N.A
2.	Mr. Jogesh D. Choksi	Executive Director	4	4	Yes	N.A	N.A	N.A
3.	Mr. Devendra P. Jain	Non-executive, Independent	4	4	Yes	1. Jindal Worldwide Limited*	Nil	3*
4.	Mr. Bhupendra Singh Rajput	Non-executive, Independent	4	4	Yes	1. Mercury Metals Limited	1	2

NOTES:

- Number of Meetings represent the Meetings held during the period in which the Director was Member of the Board.

2. Number of other Directorships indicated above does not include of the Directorships on the Board of private limited companies, foreign companies, companies under Section 25 of the Companies Act, 1956, alternate Directorship and non-corporate institutions.
3. In case of Directors retired/resigned, the status of other Directorship and Committee Membership is on the basis of the last disclosure made by the Director.
4. The details of Committee Memberships considered for the purpose are those prescribed under Clause 49(I)(c)(ii) of the Listing Agreement viz. Audit Committee and Investors' Grievance Committee of public limited and private limited companies which are subsidiaries of public limited companies in terms of Section 3(1)(iv)(c) of the Companies Act, 1956.
5. None of the Directors are related to each other.
6. None of the Directors on the Board are Members of more than ten Committees or Chairman of more than five Committees across all the companies in which they are Directors. Necessary disclosures regarding the positions in other public companies as on March 31, 2014 have been made by the Directors.
7. The independence of a Director is determined by the criteria stipulated under Clause 49 of the Listing Agreement.
8. Mr. Devendra P. Jain held Directorship in Jindal Worldwide Limited, upto 1st August, 2014.

(B) NUMBER OF BOARD MEETINGS HELD AND DATES

During the financial year 2013-14, the Board of Directors met Four (4) times. The dates of the Meetings were May 29, 2013, July 30, 2013, October 28, 2013, and February 10, 2014. The time gap between two Meetings was not more than 4 months.

(C) INFORMATION AVAILABLE TO THE BOARD

During the year 2013-14, information as mentioned in Annexure 1A to Clause 49 of the Listing Agreement has been placed before the Board for its consideration. The aforesaid information is generally provided as a part of the agenda of the Board Meeting or is placed at the table during the course of the Meeting. The Whole time Director and other senior management staff are also invited to the Board Meetings to present reports on the Company's operations and internal control systems. The detailed agenda is sent to the Directors a week before the Board Meeting. In special and exceptional circumstances, additional or supplementary item(s) on the agenda are permitted to be taken up as 'any other item' with the permission of the Chairman. The Board also periodically reviews Compliance Reports in respect of laws and regulations applicable to the Company.

AUDIT COMMITTEE

Term of reference:

The terms of reference of the Audit committee, as specified by the Board, includes the whole as specified in the clause 49 of the listing agreement, including a review of audit procedures and techniques, financial reporting systems, internal control systems and procedures besides ensuring compliance with regulatory guidelines. The committee members are collectively having requisite knowledge of finance, accounts and company law. All Members of the Committee are non-executive and majority of them being independent directors. The committee also recommends the appointment of external auditors and their fees and payments and also takes an overview of the financial reporting process to ensure that financial statements are correct sufficient and credible. The report of the statutory auditors is reviewed along with managements' comments and action-taken reports. The dates of the Meetings were May 29, 2013, July 30, 2013, October 28, 2013, and February 10, 2014. The time gap between two Meetings was not more than 4 months.

* Composition, Meetings and attendance of the Audit Committee during the year:

Sr. No.	Director	Status	No. of Meetings Attended
01	Mr. B. S. Rajput	Chairman	04
02	Mr. Pratik R. Kabra	Member	04
03	Mr. Devendra P. Jain	Member	04

REMUNERATION COMMITTEE

The remuneration committee consists of 3 directors two of them being non-executive directors. The committee recommends the remuneration packages to the Managing/Executive Directors, to the senior officers, employees etc.

Composition :

The Remuneration Committee of the Company comprises of Shri B. S. Rajput, Chairman of the committee, Shri Devendra Jain and Shri Jogesh D. Choksi, as Members of the Committee.

Meetings and attendance during the year.:

To discuss the agenda requiring decision to fix remuneration of directors, there were no meetings held during the year under review.

SHAREHOLDERS & INVESTORS GRIEVANCES COMMITTEE

All the matters relating to Shareholders/Investors were reviewed as well as considered by the Shareholders/Investors grievance Committee. Adhere to the corporate Governance requirements and for the purpose of disposal of shareholders/investors complains and to help them, the Board has constituted Shareholder/investors Grievances committee. This committee reviews, records and helps shareholders/investors and expedite transfer of shares, resolve and attend any grievances of the investors

Composition and Meetings of Committee:

The Shareholders/ Investors Grievance Committee comprises of Shri B. S. Rajput as Chairman and Shri Devendra P. Jain and Shri Pratik R. Kabra as Members of the Committee as re-constituted w.e.f. 1st April, 2014.

All the matters relating to share Department and investor services were handled by Shareholders and Investors Grievances Committee. The Shareholders and Investors Grievances Committee met five times in the year.

Complaints:

During the year there were no complaints regarding non receipt of dividend warrants and annual reports. As on date there is no pending complaint

MEANS OF COMMUNICATION:

- A) In Compliance with the requirement of Agreement, the Company now regularly intimates Unaudited/Audited Financial Results of the Stock Exchange/s immediately after they are taken on record by the Board of Directors. These Financial Results are normally published in Lokmitra (Gujarati) and Free Press Gujarat (English).
- B) During the financial year ended on 31st March, 2014 no presentation was made to institutional investors or analyst or any other enterprise.
- C) Management Discussion and Analysis Report form part of the Annual Report.

GENERAL BODY MEETINGS:

The previous three Annual General Meetings of the Company were held within the statutory time period and the details of the same are as under:

AGM	Financial Year	Date	Time	Venue
19 th	2012-13	11 th September, 2013	2:00p.m.	A/2, North View Appartment, St. Xaviers College Road, NavrangpuraAhmedabad -380009
18 th	2011-12	21 st September, 2012	10:30 a.m.	A/2, North View Appartment, St. Xaviers College Road, NavrangpuraAhmedabad -380009
17 th	2010-11	30 th September, 2011	11:30 a.m.	A/2, North View Appartment, St. Xaviers College Road, NavrangpuraAhmedabad -380009

There was no special resolution passed by the Company at the previous AGM. Pursuant to the provisions of Sections 192 A of the Companies Act, 1956, there was no matter during the year 2012-13, required to be dealt by the Company to be passed through postal ballot.

DISCLOSURES:

(a) Disclosures on materially significant related party transactions that may have potential conflict with the interests of the Company at large:

In terms of Section 299 (3) of the Companies Act, 1956, the General Notices of disclosure of interest are obtained from the Directors and accordingly, the Register of Contracts under Section 301 of the Companies Act, 1956 is tabled and signed.

(b) Details of non-compliance by the Company, penalties, and strictures imposed on the Company by Stock Exchanges or SEBI or any statutory authority, on any matter related to capital markets, during the last three years.

No strictures and penalties have ever been imposed on the Company by the Stock Exchanges or SEBI or any statutory authorities, on matters related to capital markets.

(c) The Company has adopted a Code of Conduct for its Directors and employees. This Code of Conduct has been communicated to each of them.

(d) Regarding Dematerialisation of Shares:

The Company had appointed MCS Ltd. as its RTA and Equity Shares of the Company are available for dematerialisation, as the Company has entered into an agreement with both National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) for dematerialization services of its Equity Shares. Those Shareholders who wish to hold shares in electronic form may approach their Depository Participant. ISIN No. of the Company's Equity Share is INE914B01012.

GENERAL SHAREHOLDERS INFORMATION:

- A) Annual general meeting :
 Day and Date : Monday, 29th September, 2014
 Time : 2.00 P.M.
 Venue : A/2, North View Apartment, St. Xaviers College Road, Navrangpura Ahmedabad -380009
- B) Financial Calendar for the year 2014-2015
 First quarter : By 2nd Week of August 2014
 Second quarter : By 2nd Week of November, 2014
 Third quarter : By 2nd Week of February, 2015
 Annual results for the Year ended on 31/3/2015 : By end of May 2015
 Annual general meeting for The year 2014-15 : By end of September, 2015
- C) Book Closure : Monday, 22nd September, 2014 to Monday, 29th September, 2014 (both days Inclusive)
- D) Listing of Shares and Securities : The company's shares are presently listed at Mumbai and Ahmedabad Stock exchanges.
 Stock Code : BSE - 531962
 ASE - 36427
- E) Market Price Data: Equity Shares of the Company have been traded at the Bombay Stock Exchange during 1st April, 2013 to 31st March, 2014. The information of Stock Price data are submitted here under:

Month	BSE		Shares Traded (No.)
	High(Rs.)	Low(Rs.)	
April, 2013	17.50	15.15	280
May, 2013	16.65	16.65	861
June, 2013	15.90	11.70	266
July, 2013	23.40	13.01	499
August, 2013	19.25	17.00	239
September, 2013	16.20	15.40	130
October, 2013	15.30	13.25	736
November, 2013	13.50	9.15	737
December, 2013	8.76	6.85	3105
January, 2014	7.20	6.67	2196
February, 2014	9.02	6.80	197715
March, 2014	19.05	9.20	2759

F) Category of Shareholding as on 31st March, 2014 :

Category	No. Of Shares	%to Share Capital
Indian Promoters	3088668	58.76
Mutual Funds	—	—
Bank , Financial Institute	—	—
Private Corporate Bodies	411362	7.83
NRI's/OBCs	500	0.01
FII's	—	—
Indian Public	1027660	19.55
C.M	—	—
Hindu Undivided Families	728110	13.85
Total	52,56,300	100

G) Distribution of Shareholding as on March 31, 2014:

No. of Equity Shares Held	No. of Shareholders	% of Share Holders	No. of Shares Held	% of Shareholding
1 to 500	506	70.9677	127385	2.4235
501-1000	89	12.4825	75046	1.4277
1001-2000	42	5.8906	63461	1.2073
2001-3000	17	2.3843	44248	0.8418
3001-4000	5	0.7013	16510	0.3141
4001-5000	6	0.8415	27788	0.5287
5001-10,000	13	1.8233	92601	1.7617
10001-50000	13	1.8233	406054	7.7251
50001-100000	7	0.9818	607944	11.5660
Above 10,0000	15	2.1038	3795263	72.2041
Total	713	100	52,56,300	100

The Company has not issued any GDRs/ADRs/Warrants or any Convertible Instruments.

H) Registrar And Share Transfer Agent:

The company has appointed below mentioned agency as Registrar and Share Transfer Agents (RTA) of Equity Share of the Company:

MCS Limited

Shatdal Complex, Ashram Road, Ahmedabad-380009
Tel. No. : 079-6582878 Email : mcsahmd@gmail.com

I) Investor correspondence :

A/2, North View Apartment, St. Xaviers College Road, Navrangpura, Ahmedabad -380009
Tel No. : 079-26300054 / 26300197 Fax No. : 079-26302231 Email : shreemetalloys.ahd@gmail.com

MANAGEMENT DISCUSSION AND ANALYSIS

The Management Discussion and Analysis form a part of the Annual Report.

The above represents the company's philosophy on corporate governance. Auditors' Certificate as required forms a part of this Annual Report.

Regd. Office
A/2, North View Apartment,
St. Xaviers College Road,
Navrangpura, Ahmedabad -380009
Date : 12/08/2014
Place : Ahmedabad

By Order of the Board
For, **Shree Metalloys Limited**

Pratik R. Kabra
Chairman & Managing Director
DIN: 00006358

CERTIFICATION UNDER CLAUSE 49 (I) (D) OF THE LISTING AGREEMENT

In accordance with Clause 49 sub-clause I(D) of the Listing Agreement with the Stock Exchanges, I hereby confirm that, all the Directors and the Senior Management personnel of the Shree Metalloys Limited have affirmed compliance to their respective Codes of Conduct, as applicable to them for the Financial Year ended March 31, 2014

Regd. Office
A/2, North View Apartment,
St. Xaviers College Road,
Navrangpura, Ahmedabad -380009
Date : 12/08/2014
Place : Ahmedabad

By Order of the Board
For, **Shree Metalloys Limited**

Pratik R. Kabra
Chairman & Managing Director
DIN: 00006358

CHAIRMAN & MANAGING DIRECTOR (CMD) CERTIFICATION:

I, Pratik Radheshyam Kabra, Chairman & Managing Director of Shree Metalloys Limited, to the best of my knowledge and belief certify that:

1. I have reviewed the Balance Sheet and Statement of Profit and loss and all its schedules and notes on accounts, as well as cash flow statement and the directors report;
2. Based on my knowledge and information, these statements do not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the statements made;
3. Based on my knowledge and information, the financial statements and other financial information included in this report, present in all material respects, a true and fair view of, the company's affairs, the financial condition, results of operations and cash flows of the company as of, and for, the periods presented in this report, and are in compliance with the existing accounting standards and/or applicable laws and regulations;
4. to the best of my knowledge and belief, no transactions entered into by the company during the year are fraudulent, illegal or violative of the company's code of conduct.
5. I am responsible for establishing and maintaining internal controls over financial reporting for the company, and I have :
 - (a) Designed such disclosure controls and procedures to ensure that material information relating to the company is made known to me by others within those entities, particularly during the period in which this report is being prepared.
 - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under my supervision, to provide reasonable assurance regarding the reliability of financial reporting and preparing of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) Evaluated the effectiveness of the company's disclosure, controls and procedures and
 - (d) Disclosed in this report any change in the company's internal control over financial reporting that occurred during the company's most recent financial year that has materially affected, or is reasonably likely to materially affect, the company's internal control over financial reporting.
6. I have disclosed bad on our most recent evaluation, wherever applicable, to the company's auditors and the audit committee of the company's Board of directors.
 - (a) significant changes in internal controls during the year covered by this report;
 - (b) Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements;
 - (c) 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 company's internal control system.
7. I further declare that all board members and senior managerial personnel have affirmed compliance with the code of conduct for the current year.

Place : Ahmedabad
Date : 12/08/2014

Sd/-
Pratik Radheshyam Kabra
Chairman & Managing Director

CERTIFICATE ON CORPORATE GOVERNANCE

The Members of
Shree Metalloys Limited
Ahmedabad

We have examined the compliance of the conditions of Corporate Governance by Shree Metalloys Limited for the year ended on March 31, 2014, as stipulated in clause 49 of the Listing Agreement of the said Company with the Stock Exchanges.

The compliance of the conditions of Corporate Governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, and the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.

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

For, **Khandelwal Devesh & Associates**
Company Secretaries

(Devesh Khandelwal)
Proprietor
FCS :6897
COP : 4202

Date : 12/08/2014
Place : Ahmedabad

INDEPENDENT AUDITOR'S REPORT

**To the Members of
SHREE METALLOYS LIMITED**

Report on the Financial Statements

We have audited the accompanying financial statements of **SHREE METALLOYS LIMITED** (the Company), which comprise the Balance Sheet as at March 31, 2014, the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards notified under the Companies Act, 1956 (the Act) read with the General Circular 15/2013 dated 13th September, 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013 and in accordance with the accounting principles generally accepted in India. This responsibility includes the design, implementation and maintenance of internal control 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.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- (a) In the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2014;
- (b) In the case of the Statement of Profit and Loss, of the profit of the Company for the year ended on that date; and
- (c) In the case of the Cash Flow Statement, of the cash flows of the Company for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2003 (the Order) issued by the Central Government of India in terms of Section 227(4A) of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by Section 227(3) of the Act, we report that:
 - a. We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b. In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.
 - c. The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.

- d. In our opinion, the Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement comply with Accounting Standards notified under the Act read with the General Circular 15/2013 dated 13th September, 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013.
- e. On the basis of the written representations received from the directors as on March 31, 2014, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2014, from being appointed as a director in terms of Section 274(1)(g) of the Act.
3. a.) *Valuation of investments at cost as stated in note no. 42.*
- b.) *Non Provision for Depreciation on Plant & Machinery as stated in note no.45.*

For, **Bharadia Maheshwari & Associates**
Chartered Accountants
(Registration No. 123767W)

(CA Mayur Laddha)
Partner
Membership No: 132414

Date : 28.05.2014
Place : Ahmedabad

ANNEXURE OF THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1 of our report of even date)

- i) a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- b) As explained to us, the fixed assets are being physically verified during the year by the management in accordance with the programme of verification, which in our opinion is reasonable having regard to the size of the company and the nature of its assets. As informed to us no material discrepancies have been noticed on such verification.
- ii) a) The inventory has been physically verified during the year by the management at reasonable intervals
- b) The procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
- c) The company has maintained proper records of its inventories and no material discrepancies were noticed on physical verification.
- iii) a) According to the information and explanation given to us, the Company has not granted any loans to companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956. Therefore the provisions of clause 4 (iii) of the Order are not applicable to the Company.
- b) The Company has taken loans from one party covered in the register maintained under section 301 of the Companies Act, 1956. Amount involved during the year was Rs. 115.00 Lacs and the year-end balance of loans from such parties was NIL.
- iv) No Interest has been given on the loan taken from parties covered under section 301 of the Companies Act 1956
- v) The Company has made repayment of loans taken from parties covered under section 301 of the Companies Act, 1956. Amount involved during the year was Rs. 115.00 Lacs
- vi) There is no overdue amount of loan taken from such parties.
- vii) In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the company and the nature of its business with regard to purchases of inventories and fixed assets and with regard to the sale of goods. During the course of audit, we have not observed any major weaknesses in such internal controls.
- viii) a) To the best of our knowledge and belief and according to the information and explanations given to us, we are of the opinion that particulars of contracts or arrangements referred to in section 301 of the Companies Act, 1956 have been entered in the register required to be maintained under that section; and
- b) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of such contracts or arrangements aggregating during the year to Rupees Five Lacs or more in respect of those parties have been made at prices which are reasonable having regard to the prevailing market prices at the relevant time.

- ix) In our opinion and according to the information and explanations given to us, the company has not accepted any deposits from the public during the year. Therefore the provisions of sections 58A and 58AA of the Companies Act, 1956 and the Companies (Acceptance of Deposits) Rules, 1975 are not applicable.
- x) In our opinion, and according to the information and explanations given to us, the Company has an internal audit system commensurate with the size and the nature of its business.
- xi) The Central Government has not prescribed maintenance of cost records under clause (d) of sub section (1) of Section 209 of the Companies Act, 1956 for any of the products manufactured by the Company.
- xii) According to the information and explanation given to us and on the basis of examination of the books of accounts, undisputed statutory dues, including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income Tax, Sales Tax, Vat, Wealth Tax, Customs Duty, Excise Duty, Cess and any other statutory dues have been generally regularly deposited with the appropriated authorities wherever applicable, there is no outstanding as at March 31, 2014 for a period of more than six months from the date they became payable.
- xiii) In our opinion the Company does not have any accumulated losses during the year and it has not incurred cash losses during the financial year covered by our audit and immediately preceding financial year.
- xiv) On the basis of our examination and according to the information and explanations given to us, the company has not defaulted in repayment of dues to any financial institution or bank as at the balance sheet date
- xv) In our opinion and according to the information and explanations given to us, the company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures or other securities.
- xvi) In our opinion and according to information and explanation given to us, the company is not a chit fund or nidhi or mutual benefit fund / society. Therefore, the provisions of clause 4(xiii) of the Companies (Auditor's Report) Order, 2003 are not applicable to the company
- xvii) In our opinion, the company is not dealing in or trading in shares, securities, debenture and other investments. Accordingly, the provisions of clause 4(xiv) of the Companies (Auditor's Report) Order, 2003 are not applicable to the company
- xviii) In our opinion and according to the information and explanation given to us, the company has not given any guarantee for loans taken by others from banks or financial institutions.
- xix) In our opinion and according to the information and explanation given to us, no term loans has been availed by the company, hence purpose of question of proper utilization does not arise.
- xx) In our opinion and according to the information and explanation given to us and on the basis of our examination of books of accounts, we report that no fund raised on short-term basis have been used for long term investment.
- xxi) According to the information and explanations given to us, the company has not made preferential allotment of shares to parties and companies covered in the register maintained under section 301 of the Companies Act, 1956 during the period covered by our audit report.
- xxii) The company has not issue any debentures during the year.
- xxiii) During the year covered by our audit report the company has not raised any money by way of public issue.
- xxiv) To the best of our knowledge and belief and accordingly to the information and explanations given to us, no fraud on or by the company has been noticed or reported during the course of our audit.

For, **Bharadia Maheshwari & Associates**

Chartered Accountants
(Registration No. 123767W)

(CA Mayur Laddha)

Partner

Membership No: 132414

Date : 28.05.2014

Place : Ahmedabad

SHREE METALLOYS LIMITED

BALANCE SHEET AS AT 31ST MARCH, 2014

Particulars	Note No.	As At 31.03.2014 (Rs.)	As At 31.03.2013 (Rs.)
Equity and Liabilities			
Shareholders Funds			
(a) Share Capital	2	52,563,000	52,563,000
(b) Reserves and Surplus	3	9,771,665	8,626,315
		62,334,665	61,189,315
Non-Current Liabilities			
(a) Long Term Borrowings	4	-	214,179
(b) Deferred Tax Liabilities (net)	5	-	-
		-	214,179
Current Liabilities			
(a) Short Term Borrowings	6	58,458,595	47,408,719
(b) Trade Payables	7	522,846	14,743,443
(c) Other current Liabilities	8	93,099	135,591
(d) Short Term Provisions	9	1,120,506	767,506
		60,195,046	63,055,259
Total		122,529,711	124,458,753
Assets			
Non-Current Assets			
(a) Fixed Assets			
Tangible Assets	10	21,682,942	21,366,791
(b) Non-Current Investments	11	1,302,294	2,350,816
(c) Deferred Tax assets (net)	12	72,205	61,296
(d) Long-term Loans and Advances	13	2,865,477	4,345,293
		25,922,918	28,124,196
Current Assets			
(a) Inventories	14	16,594,240	2,155,200
(b) Trade Receivables	15	38,698,295	28,549,374
(c) Cash and Cash Equivalents	16	3,630,819	1,600,150
(d) Short-term Loans and Advances	17	37,640,361	63,967,540
(e) Other Current Assets	18	43,078	62,293
		96,606,793	96,334,557
Total		122,529,711	124,458,753
Significant Accounting Policies	1		
Other notes forming part of financial statements	27 to 46		

In terms of our report of even date
For **Bharadia Maheshwari & Associates**
Chartered Accountants
(Registration No. 123767W)

(CA Mayur Laddha)
Partner
Membership No: 132414
Date :
Place : Ahmedabad

On behalf of the Board of Directors
Shree Metalloys Limited

Managing Director

Executive Director

STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31.03.2014

Particulars	Note No.	For The Year Ended 31.03.2014 (Rs.)	For The Year Ended 31.03.2013 (Rs.)
Revenue from Operations			
Revenue from Operations	19	478,880,580	421,850,365
Other Income	20	324,597	115,806
Changes in Inventories	21	14,439,040	(8,291,775)
Total Revenue		493,644,217	413,674,396
Expenses:			
Purchase of Stock-in-Trade	22	477,339,360	399,338,253
Employee Benefits Expenses	23	1,748,630	1,676,194
Finance Costs	24	8,669,760	7,770,149
Depreciation and Amortization Expense	25	197,375	262,060
Other Expenses	26	2,373,561	2,414,951
Total Expenses		490,328,686	411,461,607
Profit Before Tax		3,315,531	2,212,789
Extra Ordinary Item			
Investment written off		1,048,522	-
Tax Expense			
Current Tax		1,075,000	722,000
Earliar Years Tax		57,567	14,730
Deferred Tax (Assets)		(10,909)	(18,377)
Profit After Tax		1,145,351	1,494,436
Basic and Diluted earnings per share of face value of Rs.10/- each		0.22	0.28
Significant Accounting Policies	1		
Other notes forming part of financial statements	27 to 46		

In terms of our report of even date
For **Bharadia Maheshwari & Associates**
Chartered Accountants
(Registration No. 123767W)

(CA Mayur Laddha)

Partner

Membership No: 132414

Date :

Place : Ahmedabad

On behalf of the Board of Directors

Shree Metalloys Limited

Managing Director

Executive Director

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2014

Particulars	Year Ended 31/03/2014		Year Ended 31/03/2013	
	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)	Amount(Rs.)
A. Cash Flow from Operating Activities				
Net Profit before tax and Extraordinary Items		3,315,531		2,212,789
Adjusted for				
Add: Depreciation	197,375		262,060	
	197,375		262,060	
Less Investment w/off	1,048,522			
	1,048,522			
		(851,147)		262,060
Operating Profit before Working Capital Changes		2,464,385		2,474,849
Adjusted for				
Trade and Other Receivable	(10,148,921)		42,769,654	
Inventories	(14,439,040)		8,291,775	
Trade Payable	(13,910,089)		(1,780,661)	
Loans & Advances	26,327,179		(47,171,817)	
Prepaid Expenses	19,215		(32,431)	
		(12,151,656)		2,076,520
CASH GENERATED BY OPERATING ACTIVITIES				
Income Taxes paid	(1,132,567)		(736,730)	
NET CASH GENERATED BY OPERATING ACTIVITIES		(10,819,839)		3,814,639
B. Cash Flow from Investing Activities				
Purchase of Fixed Assets	-		(447,813)	
Decrease in Investments	1,048,522		-	
Increase in Deposits	1,479,816		-	
NET CASH USED IN INVESTING ACTIVITIES		2,528,338		(447,813)
C. Cash Flow from Financing Activities				
Increase in Share Capital	-		-	
Increase in Secured Loan	10,835,697		-	
Increase in Unsecured Loan	-		-	
Decrease in Secured Loan	-		(3,223,233)	
NET CASH USED IN FINANCING ACTIVITIES		10,835,697		(3,223,233)
NET(DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS		2,544,196		143,593
Opening Balance of Cash and Cash Equivalents		1,600,150		1,456,557
Closing Balance of Cash and Cash Equivalents		3,630,819		1,600,150

The previous year's figures have been regrouped and reclassified wherever necessary.

In terms of our report of even date
For **Bharadia Maheshwari & Associates**
Chartered Accountants
(Registration No. 123767W)

(CA Mayur Laddha)
Partner
Membership No: 132414
Date :
Place : Ahmedabad

On behalf of the Board of Directors
Shree Metalloys Limited

Managing Director

Executive Director

Note -1 SIGNIFICANT ACCOUNTING POLICIES**a) Basis of Preparation of Financial Statement**

The financial statements are prepared under the historical cost convention method in accordance with the generally accepted accounting principles and in accordance with the provisions of the Companies (Accounting Standards) Rules, 2006 by the Central Government. The Company follows mercantile system of accounting.

b) Revenue Recognition

Sale of goods is recognized on dispatch of goods to customers and is recorded net of trade discounts, rebates, sales tax/ value added tax however inclusive of excise duty, which is shown as separately.

c) Fixed Assets

Fixed assets are stated at their cost of acquisition/installation less accumulated depreciation. Fixed Assets are shown net of CENVAT & VAT on Capital Goods.

d) Depreciation and Amortization

Depreciation on fixed assets is provided on written down value method at the rate and in the manner prescribed in Schedule XIV to the Companies Act, 1956, and preliminary expenses are written off over a period of five years.

e) Investment

Investment has been shown at cost.

f) Inventories

Items of inventories are measured at lower of cost or net realizable value whichever is lower on FIFO basis for Raw Materials. Finished Goods and work in process are valued at the lower of the cost and net realizable value.

g) Employees Benefits

Employee benefits are charged off in the year in which the employees have rendered services. Provision for leave encashment is determined yearly basis and accordingly paid.

h) Taxation

- Provision for current tax is made after taking into consideration benefits admissible under the provisions of Income Tax Act, 1961.
- Deferred tax resulting from “timing differences” between the accounting and taxable profit for the period is accounted for using the tax rates and laws that have been enacted or substantially enacted as at the balance sheet date. Deferred tax assets is recognized and carried forward only to the extent that there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized.
- Minimum Alternative Tax (MAT) credit is recognized as an asset only to the extent there is convincing evidence that the Company will pay income tax higher than that computed under MAT, during the period that MAT is permitted to be set off under the Income Tax Act, 1961.

i) Contingent Liability

Liabilities which are of contingent nature are not provided but are disclosed at their estimated amount in the notes.

j) Foreign Currency Transaction

Foreign transactions are recorded at the rates on which they have been settled during the year. Foreign currency denominated assets and liabilities are translated into rupees at the exchange rates prevailing at year-end and overall net gain/loss is adjusted in the Profit and Loss Account.

k) Impairment of Assets

Fixed assets are reviewed for impairment losses, whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the carrying amount of the assets exceeds its recoverable amount, which is the higher of an assets, net selling price and value in use.

l) Borrowing Costs

Borrowing costs comprising interest, finance charges etc to the extent related/ attributed to the qualifying assets, such as new projects and / or specific assets created in the existing business, are capitalized up to the date of completion and ready for their intended use. Other borrowing costs are charged to the statement of Profit and Loss in the period of their accrual.

m) Earnings per Share

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. The weighted average number of equity share outstanding during the year are adjusted for events such as bonus shares, other than the conversion of potential equity shares, that have changed the number of equity shares outstanding without a corresponding change in resource.

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

n) Cash Flow Statement

The Cash Flow Statement is prepared by the indirect method set out in Accounting Standard 3 on Cash Flow Statements and presents the cash flows by operating, investing and financing activities of the company. Cash and cash equivalents presented in the Cash Flow Statement consist of cash on hand and demand deposits with banks.

NOTES TO AND FORMING PART OF BALANCE SHEET AS AT 31-03-2014

Note No.	Particulars	As At 31.03.2014 (Rs.)	As At 31.03.2013 (Rs.)
2	Share Capital:		
	Authorised:		
	10,000,000 (Previous Year 10,000,000) Equity Shares of Rs.10/- each	100,000,000	100,000,000
	Issued, Subscribed & Paid up :		
	Shares at the Beginning of the Accounting Period		
	5,256,300 (Previous Year 5,256,300) Equity Shares of Rs.10/- each	52,563,000	52,563,000
	Additions during the year	-	-
	Shares at the End of the Accounting Period		
	5,256,300 (Previous Year 5,256,300) Equity Shares of Rs.10/- each	<u>52,563,000</u>	<u>52,563,000</u>

Details of shareholders holding more than 5% shares in the Company (Equity Shares in numbers of Rs. 10 /- each)

Name of Shareholder	As At 31.03.2014		As At 31.03.2013	
	Number	%	Number	%
Girjaben R Kabra	5,36,300	10.20	5,36,300	10.20
Govindram Laluram Kabra	4,96,000	9.44	4,96,000	9.44
Mercury Metals Limited	4,53,100	8.62	4,53,100	8.62
Hansaben Govindram Kabra	3,50,000	6.66	3,50,000	6.66
Neha Ramprakash Kabra	3,00,000	5.71	3,00,000	5.71
	21,35,400		21,35,400	

Note No.	Particulars	As At 31.03.2014 (Rs.)	As At 31.03.2013 (Rs.)
3	Reserve & Surplus:		
	Surplus in the statement of profit and loss		
	As per last balance sheet	8,626,315	7,131,879
	Add : Profit after tax during the year	1,145,351	1,494,436
	Allocations and Appropriations	-	-
	Net surplus in the statement of profit and loss at the end of period	9,771,665	8,626,315
	Total	<u>9,771,665</u>	<u>8,626,315</u>
4	Long Term Borrowings		
	Secured Loans		
	Term Loans From Banks	-	214,179
	Total	<u>-</u>	<u>214,179</u>

SHREE METALLOYS LIMITED

Note No.	Particulars	As At 31.03.2014 (Rs.)	As At 31.03.2013 (Rs.)								
5	Deferred Tax Liabilities/(Assets):										
	Deferred Tax Liabilities	-	-								
	Deferred Tax Assets	-	-								
	Net Deffered Tax Liabilities/(Assets)	<u>-</u>	<u>-</u>								
	Current Liabilities:										
6	Short-Term Borrowings:										
	Secured Loans										
	Cash Credit Facility from Banks	58,458,595	47,408,719								
	Total	<u>58,458,595</u>	<u>47,408,719</u>								
	Of the above :										
	Amount of cash credit facility availed Rs. 58,458,595 (31st March 2013 Rs. 47,408,719) from banks :										
	1. Punjab National Bank A/C 0224008700005680 - Rs. 58,458,595 (31st March 2013 Rs. 47,408,719)										
	are secured by way of Hypothecation of Stock and Book Debts and Equitable Mortgage of immovable properties of Guarantors.										
7	Trade Payables										
	Sundry Creditors For Goods	-	12,811,575								
	Sundry Creditors For Capital Goods	63,046	485,356								
	Sundry Creditors For Expenses	459,800	1,446,512								
	Total	<u>522,846</u>	<u>14,743,443</u>								
8	Other Current Liabilities										
	TDS Payable	23,213	31,821								
	Professional Tax Payable	3,330	3,330								
	Employee Benefit Expenses Payable	66,556	100,440								
	Total	<u>93,099</u>	<u>135,591</u>								
9	Short-Term Provisions										
	Provision for Taxation	1,075,000	722,000								
	Audit Fees Payable	45,506	45,506								
	Total	<u>1,120,506</u>	<u>767,506</u>								
10	Fixed Assets										
	Assets	As at 01.04.2013	Addition	Deletion	As at 31.03.2014	As at 01.04.2013	Addition	Deletion	As at 31.03.2014	As at 01.04.2013	As at 31.03.2014
1	Plant & Machineries	20,735,513	-	-	20,735,513	154,954	-	-	154,954	20,580,559	20,580,559
2	Vehicles (Motor Car)	1,379,601	-	-	1,379,601	718,087	171,266	-	889,353	661,514	490,248
3	Vehicles (two wheeler)	57,555	-	-	57,555	20,377	9,625	-	30,002	37,178	27,553
4	Office Equipments	167,635	-	-	167,635	96,603	9,881	-	106,484	71,032	61,151
5	Computers	302,426	-	-	302,426	285,918	6,604	-	292,522	16,508	9,904
	Total of this year	22,642,730	-	-	22,642,730	1,275,939	197,375	-	1,473,314	21,366,791	21,169,417
6	Capital Work in Progress	-	513,525	-	513,525	-	-	-	-	-	513,525
	Grand Total	22,642,730	513,525	-	23,156,255	1,275,939	197,375	-	1,473,314	21,366,791	21,682,942
	Total of the Previous Year	22,194,917	447,813	-	22,642,730	1,013,879	262,060	-	1,275,939	21,181,038	21,366,791

SHREE METALLOYS LIMITED

Note No.	Particulars	As At 31.03.2014 (Rs.)	As At 31.03.2013 (Rs.)
11	Non Current Investment:		
a)	In Equity Shares - Unquoted, Fully Paid Up Advance Bio Coal (India) Ltd. (8,500 Equity Shares of Rs.10/- each (P Y 8,500))	85,000	85,000
b)	Shreeji Phosphate Limited (Formerly Known as Satyam Cement Ltd.) (35,000 Equity Shares of Rs.10/- Each (P Y 35,000))	530,250	530,250
c)	Zora Pharma Ltd. (26,600 Equity Shares of Rs.10/- Each (P Y 26,600))	665,000	665,000
d)	The Nawanagar Co-op Bank Ltd. (500 Equity Shares of Rs.10/- (P Y 500))	5,000	5,000
	Quoted at Cost :		
a)	Gujarat State Financial Corporation limited (93600 Equity Shares of Rs.10/- Each Partly Paid Rs. 5/- (P Y 93600))	-	1,048,522
b)	Riddhi Siddhi Gluco Biols Ltd, (800 Equity Shares of Rs.10/- Each (P Y 800)) (Market value Rs. 2.24 lacs (P Y 1.60 lacs))	17,044	17,044
	Total	1,302,294	2,350,816
12	Deferred Tax Assets (Liabilities):		
	Deferred Tax Assets	10,909	42,919
	Defered Tax Assets	61,296	18,377
	Net Deferred Tax Assets	72,205	61,296
13	Long Term Loans And Advances:		
	Security Deposits (Unsecured Considered good unless otherwise stated)	2,865,477	4,345,293
	Total	2,865,477	4,345,293
	Current Assets		
14	Inventories: (As Taken, Valued & Certified by the Management)		
	Raw Materials	-	-
	Work in Process	-	-
	Finished Goods	-	-
	Stock in Trade (in respect of Goods acquired for Trading)	16,594,240	2,155,200
	Total	16,594,240	2,155,200

SHREE METALLOYS LIMITED

Note No.	Particulars	As At 31.03.2014 (Rs.)	As At 31.03.2013 (Rs.)
15	Trade Receivables: (Unsecured Considered good unless otherwise stated)		
(1)	Debts outstanding for a period exceeding six months from the date they are due	-	-
(2)	Other Debts	38,698,295	28,549,374
	Total	38,698,295	28,549,374
16	Cash & Cash Equivalents :		
(a)	Balance with Banks		
	In Current Accounts:		
	Balance with Scheduled Banks	3,135,830	1,190,647
	Balance with Other Banks	162,008	161,805
(b)	Cash on Hand	332,982	247,698
	Total	3,630,819	1,600,150
17	Short Term Loans & Advances: (Unsecured considered good unless otherwise stated) Advances Recoverable in Cash or in Kind for the Value to be received		
(1)	Advance to Suppliers	35,187,824	62,138,540
(2)	Receivable from Revenue Authorities	2,143,737	1,513,207
(3)	Other Advances	308,800	315,793
	Total	37,640,361	63,967,540
18	Other Current Assets:		
	Prepaid Expenses	43,078	62,293
		43,078	62,293

**NOTES TO AND FORMING PART OF STATEMENT OF PROFIT AND LOSS
FOR THE YEAR ENDED 31.03.2014**

Note No.	Particulars	As At 31.03.2014 (Rs.)	As At 31.03.2013 (Rs.)
19	Revenue from Operations		
	Sale of Products	478,880,580	421,850,365
	Sale of Services	-	-
	Other Operating Revenues	-	-
		<u>478,880,580</u>	<u>421,850,365</u>
	Less: Excise Duty	-	-
	Net Revenue from Operations	<u>478,880,580</u>	<u>421,850,365</u>
20	Other Income:		
	Interest Income	315,845	115,806
	Dividend Income	8,752	-
	Total	<u>324,597</u>	<u>115,806</u>
22	Changes In Inventories		
	Finished goods		
	At the Beginning of the Accounting Period	2,155,200	10,446,975
	At the End of the Accounting Period	16,594,240	2,155,200
	Total	<u>(14,439,040)</u>	<u>8,291,775</u>
22	Purchases Of Traded Goods	477,339,360	399,338,253
	Total	<u>477,339,360</u>	<u>399,338,253</u>
23	Employee Benefits Expense		
	Salary and Wages		
	Factory Salary and Wages	-	-
	Office Staff Salary	1,274,880	1,228,195
	Director's Remunerations	402,000	393,600
	Other Expenses		
	Workers and Staff Welfare	35,750	15,399
	Bonus	36,000	39,000
	Total	<u>1,748,630</u>	<u>1,676,194</u>

SHREE METALLOYS LIMITED

Note No.	Particulars	As At 31.03.2013 (Rs.)	As At 31.03.2012 (Rs.)
24	Financial Costs:		
	Interest Expenses		
	Interest to Bank	8,349,177	7,521,364
	Other Borrowing Costs	320,583	248,785
	Total	8,669,760	7,770,149
25	Depriciation & Amortization Expense		
	Depriciation	197,375	262,060
	Total	197,375	262,060
26	Other Expenses:		
	Manufacturing Expense :		
	Power & Fuel	148,625	769,880
	Insurance	66,695	56,548
	Labour Charges	12,880	1,040
	Rent	420,000	420,000
	General Consumables	42,662	-
		690,862	1,247,468
	Administartive Expense		
	Electric Expenses	-	8,088
	Fees & Taxes	97,670	109,770
	General Expenses	246,136	125,186
	Rent Charges	168,000	168,000
	Audit Fees	50,562	50,562
	Legal & Professional Charges	429,874	441,331
	Printing & Stationery	17,584	12,548
	Sundry Balances Writte Off (Net)	428,256	-
	Repair & Maintenance	60,742	7,042
	Telephone Expenses.	49,695	34,157
	Refreshment Expenses	78,430	67,529
		1,626,949	1,024,213
	Selling & Distribution Expense		
	Advertisement Expenses	23,320	106,090
	Travelling Expenses	32,430	37,180
		55,750	143,270
	Total	2,373,561	2,414,951

Other Notes Forming Part of Financial Statements :

27. Auditor's Remuneration

Sr. No.	Particulars	For the year ended March 31, 2014 (Rs.)	For the year ended March 31, 2013 (Rs.)
1.	Auditors' remuneration	33,708	33,708
2.	Tax Audit Fees	16,854	16,854
3.	Reimbursement of expenses	Nil	Nil
Total Remuneration		50562	50,562

28. C.I.F Value of Imports

Sr.No.	Particulars	Amount (Rs.)
1.	Purchase of Trading goods	44,76,346

29. Expenditure in Foreign Currency

Sr.No.	Particulars	Amount (Rs.)
1.	Nil	Nil

30. Quantitative Information

(In M.T.)

Material	For the year ended 31 st March 2014				For the year ended 31 st March 2013			
	Op. Stock	Purchase	Sales	Cl. Stock	Op. Stock	Purchase	Sales	Cl. Stock
Brass Scrap Honey	-	1500.49	1459.47	41.02	-	1288.22	1288.22	-
Brass Scrap Pales	-	61.57	61.57	-	-	-	-	-
Copper Wire Rods	-	-	-	-	19.89	50.05	69.94	-
Copper Scrap	-	23.56	23.56	-	-	61.44	61.44	-
Ferro Titanium	22.45	-	-	22.45	-	22.45	-	22.45
Nickel	-	17.73	17.73	-	-	11.84	11.84	-
Alluminum Scrap	-	45.68	45.68	-	-	-	-	-
Pure Lead Ingots	-	69.46	69.46	-	-	-	-	-
Total	22.45	1,718.48	1,677.46	63.47	19.89	1434.00	1431.44	22.45

31. Key Managerial Personnel & Related Parties Disclosures:

S. No.	Name of the Related Party	Nature of Relationship
1.	Pratik R Kabra	Chairman & Managing Director
2.	Jogesh D. Choksi	Executive Director
3.	Kabra Agro Farms Pvt. Ltd.	Under the same Management
4.	Shree Extrusions Limited	Under the same Management
5.	Mercury Metals Limited	Associate Concern
6.	Metal Alloys Corporation	Director's Partnership Firm
7.	Ramprakash L. Kabra	Director's Relative
8.	Radheshyam L. Kabra	Director's Relative

Details of transactions made between the company and related parties and outstanding balances as on 31st March, 2013.

S.N.	Name of Party	Particulars of transaction & value	Balance outstanding as on 31.03.14 (Rs.)	Nature of Balance
1.	Pratik R. Kabra	Rent Rs.5,16,000	4,300	Debit
2.	Jogesh D. Choksi	Remuneration during the year Rs. 3,96,000	33,000	Credit
3.	Metal Alloys Corporation	Machinery Sold Rs.29,867	Nil	N.A.
4.	Shree Extrusions Ltd.	Outstanding payment made of Rs.6325.	Nil	N.A.
5.	Ramprakash L. Kabra	Professional Fees Rs. 1,80,000	1,62,000	Credit
6.	Radheshyam L. Kabra	Loan taken and repaid during the year Rs.115.00 lacs	Nil	N.A.

32. Deferred Tax

The position of Deferred Tax assets and Liabilities computed in accordance with the requirements of AS-22 on 'Accounting for taxes on income' by the Institute of Chartered Accountants of India, is as stated below :

Particulars	As at 31stMarch' 2014	Current Year Charge/(Credit)	As at 31stMarch' 2013
Deferred Tax Liabilities	NIL	NIL	NIL
Deferred Tax Assets			
Related to depreciable fixed Assets	72,205	10,909	61,296
Net Deferred Tax Liabilities/(Assets)	(72,205)	(10,909)	(61,296)

The effect of Deferred Tax Asset during the year amounting to Rs. 10,909 (Previous Year Rs18,377) is taken as Deferred Tax in the Profit & Loss Account.

33. Earning Per Share

As per Accounting Standard (AS) -20 on " Earning Per Share ", the particulars of EPS for equity shareholders are as below :

Particulars	For the year ended March 31, 2014	For the year ended March 31, 2013
Net Profit/ (Loss) as per profit & loss account (Rs.)	11,45,351	14,94,436
Average No. of Equity Shares used for calculating EPS	52,56,300	52,56,300
EPS (Basic)EPS (Diluted)	0.220.22	0.280.28
Face value of each equity share(Rs.)	10	10

34. Contingent Liability

There is no contingent liability arised/ accrued during the year, in the opinion of management,

- 35.** In the opinion of the Board of Directors, the Current Assets, Loans and Advances are stated at approximate value, if realized in the ordinary course of business. The provisions of all known liabilities are adequately provided and not in the excess of amount reasonably necessary.
- 36.** Balances of Sundry Debtors, Sundry Creditors, Unsecured loans, Loans & advances are subject to their confirmation.
- 37.** There are no delays in payment to Micro and Small Enterprises as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006. The information regarding Micro and Small Enterprise has been determined to the extent such parties have been identified on the basis of information available with the Company. This has been relied upon by the Auditors.
- 38.** The Company does not have employees, who are covered for retirement benefit scheme. Accordingly AS-15 of Companies (Accounting Standard) Rules, 2006 issued by the Central Government is not applicable.

39. Segment Reporting:

The company's primary business is trading of metals, On the basis of Accounting Standard On "Segment Reporting" [(AS-17) issued by the Institute of Chartered Accountants of India], this activity falls within a single primary business segment and accordingly the disclosure requirement of AS-17 in this regard are not applicable. There being no business outside India, the entire business has been considered as single geographic segment.

- 40.** All the assets have been physically verified by the management during the year and also there is a regular programme of verification which, in our opinion is reasonable having regards to the size of the company and the nature of its assets. No material discrepancies were noticed on such verification; hence no provision for impairment of assets has been made in accordance to AS-28 as prescribed by the Institute of Chartered Accountants of India.
- 41.** Investments in Equity Shares of Gujarat State Financial Corporation Ltd Rs. 10.48 Lac has been written off during the financial year, as the same is not recoverable due to partly paid up and forfeited by GSFC.
- 42.** Investments in shares of listed companies have been shown under unquoted investment, due to no transaction in the stock exchange during the year. No provision has been made for the possible diminution in the value of shares held as investment.

43. Advances of Rs.3.25 lacs with Ahmedabad Stock Exchange and Rs.20.50 lacs with Vadodara Stock Exchange Ltd have been written off during the year, as these are not recoverable.
44. Minimum electricity charges of Rs. 19,44,808/- charged by PGVCL in earlier years, has been written back in current year as Company won legal case against PGVCL.
45. In spite of capitalization of Plant & Machineries in the year 2009-10, Company has not provided Depreciation on Plant & Machinery during the year also, as production has not been started yet, Management has initiated to re-start plant operations and Rs. 5,13,525/- has been incurred during the year, which has been shown as capital work in progress. Advances has been given for Rs. 1.40 lacs for capital expenditure, and approximately Rs. 20.00 lacs will be incurred for capital expenditure to start the manufacturing activity.
46. The previous year figures have been regrouped/ reclassified wherever necessary to make them comparable to current year figures.

In terms of our report of even date
For **Bharadia Maheshwari & Associates**
Chartered Accountants
(Registration No. 123767W)
(CA Mayur Laddha)
Partner
Membership No: 132414
Date :
Place : Ahmedabad

On behalf of the Board of Directors
Shree Metalloys Limited

Managing Director

Executive Director

SHREE METALLOYS LIMITED

Regd. Office : A/2, North View Apartment, St. Xaviers College Road, Navrangpura, Ahmedabad – 380009

PROXY FORM

DP Id* _____ Regd. Folio No. _____

Client Id* _____

I/We _____

of _____ in the district of _____ being a member/members of the above named Company, hereby appoint

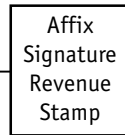
Mr./Mrs. _____ of _____ in the district of _____ or failing him/her Mr./Mrs. _____ of

_____ in the district of _____

as my/our Proxy to vote for me/our behalf at the at the Annual General Meeting of the Company to be held on Monday, 29th day of September, 2014 at 2.00 p.m. at Registered office of the company at A/2, North View Apartment, St. Xaviers College Road, Navrangpura, Ahmedabad – 380009

Signed the _____ day of _____ 2014

Signature _____



* Applicable for members holding shares in dematerialised form.

- 1. The Proxy Form signed across revenue stamp should reach the Company's Registered Office at least 48 hours before the scheduled time of meeting.

SHREE METALLOYS LIMITED

Regd. Office : A/2, North View Apartment, St. Xaviers College Road, Navrangpura, Ahmedabad – 380009

ATTENDANCE SLIP

Full name of the Member attending : _____

Name of Proxy : _____

I hereby record my presence at the Annual General Meeting being held on Monday, 29th day of September, 2014 at 2.00 p.m. at Registered office of the company at A/2, North View Apartment, St. Xaviers College Road, Navrangpura, Ahmedabad – 380009

Regd. Folio No. _____

DP Id* _____

Client Id* _____

No. of Share held _____

Member's/Proxy's Signature
(To be signed at the time of handing over the slip)

* Applicable for members holding shares in dematerialised form.

Note : Persons attending the Annual General Meeting are requested to bring their copies of Annual Report.

If undelivered
Please return to :

SHREE METALLOYS LIMITED

Regd. Office : A/2, North View Apartment, St. Xaviers College Road,
Navrangpura, Ahmedabad - 380009