



# SHREE METALLOYS LIMITED

**Dealers of Non Ferrous, Precious Metals  
Manufacturers of Non Ferrous Metals**

(Formerly known as VALLEY INDIANA LEISURE LIMITED)

CIN No. : L67120GJ1994PLC023471

**Regd. Office:**

103, Sunsquare, Nr. Klassic Gold Hotel, Off C. G. Road,  
Ahmedabad- 380 009. Gujarat (India)

Phone: +91 79 26442254, 26442231

Fax: +91 79 26442297, Mo.: +91 93270 35601

Email: shreemetalloys.ahd@gmail.com

**14.09.2019**

**TO,  
BSE LTD.  
FLOOR 25, P. J. TOWERS  
DALAL STREET,  
MUMBAI - 400001**

**SUB.: Submission of Annual Report for the financial year 2018-19 in accordance  
to the provisions of Regulation 34(1) of SEBI (Listing Obligations and Disclosure  
Requirements) Regulations, 2015  
Scrip Code : 531962**

Dear Sir,

In compliance with Regulation 34(1)(a) of SEBI (Listing Obligations and Disclosure Requirements) (LODR) Regulations, 2015, we are sending herewith Annual Report of the Company along with Notice of AGM for the financial year 2018-19 which is being dispatched/sent to the shareholders by the permitted mode(s).

The Annual Report including AGM Notice is also available on the Company's website [www.shreemetalloys.com](http://www.shreemetalloys.com).

Kindly acknowledge the receipt of the same.

Thanking You,

Yours faithfully,

For, **SHREE METALLOYS LIMITED.**

**Authorized Signatory**



Encl: As stated

**Works :** Plot No. 1, Godown No. 1/B-C,  
Naghedi Lakha Baval, Khodiyar Colony Post,  
Jamnagar - 361 006. Gujarat, India.

**Fax :** 0288 2889310  
**Ph. :** 0288 2889210  
**Mob:** 93284 55577

**TRADING:** Plot No. 1, Godown No. 1/A,  
Naghedi Lakha Baval, Khodiyar Colony Post,  
Jamnagar - 361 006. Gujarat, India.

E-mail : shreemetalloys@gmail.com

# 25<sup>th</sup> Annual Report 2018-19

## **KEY MANAGERIAL PERSONNEL & BOARD OF DIRECTORS**

**Pratik R. Kabra** (DIN: 00006358)  
Chairman & Managing Director

**Bhupendarsingh Rajput** (DIN: 00853722)  
Independent Director  
(upto 13/08/2018)

**Kanchan G.Kabra** (DIN: 03417138)  
Independent Director  
(Upto 11/06/2019)

**Govindlal M. Dudani** (DIN : 07775287)  
Non- Executive Director

**Tagaram L. Chowdhary** (DIN: [00483173](#))  
Independent Director  
(w.e.f 14/11/2018)

**Leena Vijayan** (DIN:08551144)  
Independent Director  
(w.e.f. 30/08/2019)

**Pankhil D. Desai** (DIN: [02908540](#))  
Independent Director  
(Upto 14/11/2018)

**Nimish H. Bavishi**  
Chief Financial Officer  
(w.e.f. 13/08/2018)

**Bhavika D. Lalwani**  
Company Secretary & Compliance Officer  
(w.e.f. 27/06/2018)

**AUDITORS:**  
M/S. Talati & Talati,  
Chartered Accountant,  
Ahmedabad

**BANKERS:**  
ICICI Bank Ltd.  
Punjab National Bank

## **REGISTRAR & SHARE TRANSFER AGENT:**

MCS Share Transfer Agent Limited  
12/1/5 MANOHARPUKUR ROAD,  
KOLKATA-700026  
Email: [mcsahmd@gmail.com](mailto:mcsahmd@gmail.com)

## **REGISTERED OFFICE:**

103, SUN SQUARE,  
NR. KLASSIC GOLD HOTEL,  
OFF. C.G. ROAD, AHMEDABAD-380009  
Tel No.: 079-26442254  
Email: [shreemetalloys.ahd@gmail.com](mailto:shreemetalloys.ahd@gmail.com)

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**NOTICE**

**NOTICE** is hereby given that the **Twenty Fifth (25<sup>th</sup>)** Annual General Meeting (AGM) of the Members of **Shree Metalloys Limited** will be held on **Saturday, 28<sup>th</sup> September, 2019** at 11.00 A.M. at the Registered Office of the Company at 103, Sun Square, Nr. Classic gold hotel, off. C.G. Road, Navrangpura, Ahmedabad – 380009 to transact the following business.

**ORDINARY BUSINESS:**

1. To receive, consider and adopt the Audited Balance Sheet as at 31<sup>st</sup> March, 2019, Statement of Profits & Loss and together with Cash Flow Statement and Notes forming part thereto (“Financial Statement”) for the year ended on 31<sup>st</sup> March, 2019 and Report of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of **Mr. Pratik R. Kabra** (DIN: 00006358), Director who retires by rotation at this meeting and being eligible, offers himself for re-appointment.

**SPECIAL BUSINESS:**

3. To appoint **Mr. Tagaram L. Chowdhary** (DIN : 00483173) as an Independent Director of the Company for 5 years.

To consider and if thought fit, to give your assent/dissent to the following resolution as an **Ordinary Resolution:**

**“RESOLVED THAT** pursuant to the provisions of Sections 149, 150, 152, 160, 161 and other applicable provisions, if any, of the Companies Act, 2013 read with Rules made there under and Schedule IV to the said Act, Regulation 16 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, Mr. Tagaram L. Chowdhary who was appointed as an Additional Director of the Company under the category of Non-Executive Independent director (DIN : 00483173) w.e.f. 14.11.2018 who holds office upto the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing under section 160 of the Companies Act, 2013 to propose him as a candidate for the office of the Director of the Company, be and is hereby appointed as an Independent Director of the Company not liable to retire by rotation for a period of five (5) consecutive years.

**RESOLVED FURTHER THAT** the Board of Directors of the Company/ or Committee, be and is hereby authorized to do all the acts, deeds and things which are necessary to the appointment of aforesaid person as an additional director of the Company.”

4. To appoint **Mrs. Leena Vijayan** as a Women Independent Director of the Company for 5 years.

To consider and if thought fit, to give your assent/dissent to the following resolution as an **Ordinary Resolution:**

**“RESOLVED THAT** pursuant to the provisions of Sections 149, 150, 152, 160, 161 and other applicable provisions, if any, of the Companies Act, 2013 read with Rules made there under and Schedule IV to the said Act, Regulation 16 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, Mrs. Leena Vijayan who was appointed as an Additional Director of the Company under the category of Women Independent director subject to allotment of DIN and w.e.f. allotment of DIN and who holds office upto the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing under section 160 of the Companies Act, 2013 to propose her as a candidate for the office of the Director of the Company, be and is hereby appointed as an Women Independent Director of the Company not liable to retire by rotation for a period of five (5) consecutive years.

**RESOLVED FURTHER THAT** the Board of Directors of the Company/ or Committee, be and is hereby authorized to do all the acts, deeds and things which are necessary to the appointment of aforesaid person as an additional director of the Company.”

**5. To approve related party transactions to be entered by the Company with related parties:**

To consider and if thought fit, to give your assent/dissent to the following resolution as an **Ordinary Resolution:**

**“RESOLVED THAT** pursuant to the provisions of Section 188 and other applicable provisions of the Companies Act, 2013 read with the rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force) and pursuant to provisions of regulation 23 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment thereof and subject to such other approvals, consents, permissions and sanctions of other authorities as may be necessary, and also pursuant to the approval of the Audit Committee and the Board of Directors vide resolutions passed/to be passed at their respective meetings, consent of the Members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as “the Board” which term shall be deemed to include any Committee of the Board), to approve all the material related party transactions (including any modifications, alterations or amendments thereto) to be entered into by the Company in the ordinary course of business and on arm’s length basis with related party/ies and for the maximum amounts per annum, for 5 (five) consecutive years as mentioned herein below

Sr. No.	Name of Transaction	Name of KMP/ Director who is related and nature of their relationship	Name of Related Parties	Receipts (In Rs.)	Payment (In Rs.)
1.	Sale of Goods	Mr. Pratik Kabra is also a Director in Shree Extrusion Ltd.	Shree Extrusion Ltd.	19,00,00,000/-	-
2.	Sale of Goods	Firm in which Managing Director is a Partner	Metal Alloys Corporation	2,50,00,000/-	-
3.	Sale of Machinery	Mr. Pratik Kabra is also a Director in Shree Extrusion Ltd.	Shree Extrusion Ltd.	50,00,000/-	

**RESOLVED FURTHER THAT** the transaction may be entered into subject to the compliance of criteria mentioned under Rule 15 of the Companies (Meetings of Board and its Power) Rules, 2014 of the Companies Act, 2013.

**RESOLVED FURTHER THAT** the Board of Directors of the Company/ or Committee thereof be and is hereby authorized to do or cause to be done all such acts, matters, deeds and things and to settle any queries, difficulties that may arise with regard to any transaction with the related party and execute such agreements, documents and writings and to make such filings as may be necessary or desirable for the purpose of giving effect to this resolution, in the best interest of the Company”.

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

Sd/-  
**Pratik R. Kabra**  
**Chairman & Managing Director**  
**DIN: (00006358)**

**Date: 12<sup>th</sup>August, 2019**  
**Place: Ahmedabad**

**Registered Office: -**  
103, Sun Square,  
Nr. Klassic gold hotel,  
off. C.G.Road,Navrangpura,  
Ahmedabad – 380009.

#### **NOTES**

1. An Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 relating to the Special Businesses to be transacted at the Annual General Meeting (AGM) is annexed hereto.
2. 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, duly filled, stamped and signed, at its Registered Office not less than 48 hours before the Meeting.

Proxies submitted on behalf of limited companies, societies, etc., must be supported by appropriate resolutions / authority letter, as applicable, issued on behalf of the nominating organization.

A person can act as proxy on behalf of Members not exceeding fifty (50) and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. 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 Member.

3. Members/Proxies/Authorized representatives should bring the duly filled Attendance Slip enclosed herewith along with their copy of the Annual Report to attend the Meeting.
4. Corporate Members intending to send their authorised representatives to attend the AGM are requested to send a duly certified copy of their Board Resolution authorising their representatives to attend and vote at the AGM.

5. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
6. Relevant documents referred to in the accompanying Notice and the Statement, are open for inspection by the members at the Registered Office of the Company on all working days, except Saturdays and Sundays during business hours up to the date of the Meeting.
7. Profile of the Directors seeking appointment / re-appointment, as required in terms of Regulation 36 of the SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015 is annexed to this Notice.
8. Members desirous of getting any information about the Accounts of the Company are requested to write to the Company at least seven days in advance of the Meeting, so that the information can be kept ready at the Meeting.
9. The Securities and Exchange Board of India (SEBI) has mandated the submission of the Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participant(s). Members holding shares in physical form are required to submit their PAN details to the Registrar and Share Transfer Agent i.e. MCS Share Transfer Agent Ltd., 201, Shatdal Complex, Opp. Bata Showroom, Ashram Road, Ahmedabad-380009.
10. Members holding shares in physical form are requested to consider converting their holding to dematerialised form to eliminate all risks associated with physical shares and for ease in portfolio management. Members can contact MCS Share Transfer Agent Ltd, 201, Shatdal Complex, Opp. Bata Showroom, Ashram Road, Ahmedabad-380009 for assistance in this regard.
11. The Annual Report of the year 2018-19 of the Company circulated to the Members of the Company will be made available on the Company's website at [www.shreemetalloys.com](http://www.shreemetalloys.com) and also on the website of the respective Stock Exchanges at [www.bseindia.com](http://www.bseindia.com) and the physical copies of the documents will also be available at the Company's registered office for inspection during normal business hours and only on working days. Members who have not registered their e-mail addresses so far as requested to receive all communication including Annual Report, Notices, Circulars etc. from the Company electronically, may also registered their e-mail addresses.
12. 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.
13. Pursuant to the provisions of Section 91 of the Companies Act, 2013 the Register of members and share transfer books of the company will remain closed from Saturday, 21<sup>st</sup> September, 2019 to Saturday, 28<sup>th</sup> September 2019 (both days inclusive).
14. The Route Map showing directions to reach the venue of the 25<sup>th</sup> AGM is annexed as per requirement of SS-2 on general meetings.

15. Any recipient of the Notice, who has no voting rights as on the Cut-off date i.e 21<sup>st</sup>September, 2019 shall treat this Notice as intimation only.

16. Members of the Company had approved the Appointment of **M/s. Talati & Talati**, Chartered Accountants as the Statutory Auditor of the Company which is valid till 28<sup>th</sup> AGM of the Company. In accordance with the Companies Amendment Act, 2017, enforced on 7<sup>th</sup>May, 2018 by Ministry of Corporate Affairs, the Appointment of Statutory Auditors is not required to be ratified at every AGM.

➤ **VOTING THROUGH ELECTRONIC MEANS:**

In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, along with Regulation 44 of Securities And Exchange Board Of India (Listing Obligations And Disclosure Requirements) Regulations, 2015, the Company is pleased to provide members' facility to exercise their right to vote at the 25<sup>th</sup>Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services. The members may cast their votes using an electronic voting system through remote e-voting services provided by Central Depository Services Limited (CDSL) from a place other than the venue of the Meeting.

- i. The Members whose names appear in the Register of Members / List of Beneficial Owners maintained by the Depositories as on 21<sup>st</sup>September, 2019 (cut-off date) are entitled to vote on the resolutions set forth in this Notice.
- ii. A person who has acquired the shares and has become a member of the Company after the dispatch of the Notice of the AGM and prior to the Cut-off date i.e. 21<sup>st</sup>, September, 2019 shall be entitled to exercise his/her vote either electronically i.e. remote e-voting or through the Polling Paper at the AGM by following the procedure mentioned in this part.
- iii. The e-voting facility is available at the link [www.evotingindia.com](http://www.evotingindia.com).
- iv. The remote e-voting begins on Wednesday 25<sup>th</sup> September, 2019 (10:00 a.m.) and will end on Friday 27<sup>th</sup> September, 2019 (5:00 p.m.). During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date i.e. 21<sup>st</sup> September, 2019, may cast their vote electronically. The members will not be able to cast their vote electronically beyond the date and time mentioned above. The e-voting module shall be disabled by CDSL for voting thereafter.
- v. The Company has appointed Mr. Nikhil Suchak, Proprietor of Nikhil Suchak & Associates, Practicing Company Secretary (Membership No. ACS: 40614; COP No: 18938), to act as the Scrutinizer for conducting the remote e-voting process in a fair and transparent manner.
- vi. The voting rights of Members shall be in proportion to the shares held by them in the paid up equity share capital of the Company as on the cut-off date i.e. 21<sup>st</sup> September, 2019.
- vii. Members can opt for only one mode of voting, i.e., either by physical poll or remote e-voting. In case Members cast their votes through both the modes, voting done by remote e-voting shall prevail and votes cast through physical poll will be treated as invalid.
- viii. The members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.
- ix. Members who do not have access to remote e-voting facility have been additionally provided the facility of voting through Ballot paper. The facility for voting through ballot paper shall

be made available at the AGM and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through ballot paper.

- x. Once the vote on a resolution is cast by the member, he/she shall not be allowed to change it subsequently or cast the vote again.

**THE PROCEDURE AND INSTRUCTIONS FOR REMOTE E-VOTING ARE AS UNDER:-**

- (i) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- (ii) Click on Shareholders.
- (iii) Now Enter your User ID
  - a. For CDSL: 16 digits beneficiary ID,
  - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (iv) Next enter the Image Verification as displayed and Click on Login.
- (v) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.
- (vi) If you are a first time user follow the steps given below:

	<b>For Members holding shares in Demat Form and Physical Form</b>
PAN	<p>Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> <li>Members who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number which is printed on Postal Ballot / Attendance Slip indicated in the PAN Field.</li> </ul>
Dividend Bank Details <b>OR</b> Date of Birth (DOB)	<p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.</p> <ul style="list-style-type: none"> <li>If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).</li> </ul>

- (vii) After entering these details appropriately, click on "SUBMIT" tab.
- (viii) Members holding shares in physical form will then directly reach the Company selection screen? However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (ix) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (x) Click on the EVSN for the relevant <Company Name> on which you choose to vote.



- (xi) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xii) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xiii) After selecting the resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- (xiv) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xv) You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
- (xvi) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password& enter the details as prompted by the system.
- (xvii) Shareholders can also use Mobile app - “m - Voting” for e voting. m - Voting app is available on Apple, Android and Windows based Mobile. Shareholders may log in to m - Voting using their e voting credentials to vote for the company resolution(s).
- (xviii) **Note for Non – Individual Shareholders and Custodians**
  - Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporates.
  - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - After receiving the login details, user would be able to link the account(s) for which they wish to vote on.
  - The list of accounts linked in the login should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
  - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (xix) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).

The Scrutinizer shall immediately after the conclusion of voting at the General Meeting, first count the votes cast at the meeting, thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and make not later than three days of conclusion of the Meeting, a consolidated Scrutinizer's Report of the total votes cast in favour or against if any, to the Chairman or a person authorized by him in writing, who shall countersign the same.

The results declared along with the Scrutinizer's Report shall be placed on the Company's website [www.shreemetalloys.com](http://www.shreemetalloys.com) and shall also be communicated to Stock Exchanges where the shares of the Company are listed in pursuant to Regulation 44 of the SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015.

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

Sd/-  
**Pratik R. Kabra**  
**Chairman & Managing Director**  
**DIN: (00006358)**

**Date: 12<sup>th</sup> August, 2019**  
**Place: Ahmedabad**

**Registered Office:-**  
103, Sun Square,  
Nr. Klassic gold hotel,  
off. C.G.Road, Navrangpura,  
Ahmedabad – 380 009

**BRIEF PROFILE OF DIRECTORS SEEKING APPOINTMENT/ RE-APPOINTMENT AT THE 25<sup>th</sup> ANNUAL GENERAL MEETING**

**{Pursuant to Regulation 36 of the SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015}**

<b>NAME</b>	<b>Mr. Pratik R. Kabra</b>	<b>Mrs. Leena Vijayan</b>	<b>Mr. Tagaram L. Chowdhary</b>
<b>DIN</b>	<b>00006358</b>	<b>(Pending for Allotment)</b>	<b>00483173</b>
<b>Designation</b>	Managing Director	Independent Women Director	Independent Director
<b>Date of Birth</b>	30/03/1986	12/05/1973	02/07/1966
<b>Date of Appointment</b>	13/11/2007	w.e.f. allotment of Din	14/11/2018
<b>Qualification and experience in specific functional area</b>	BE Electrical and has experience in trading and manufacturing of metals and alloys of more than 15 years.	B. Com and has experience in import and export agent of more than 5 years.	BSC and has experience in trading and manufacturing of metals and alloys of more than 20 years.
<b>Directorship held in other companies*</b>	1	NIL	NIL
<b>Membership/ Chairmanships of Committee in other Public Companies</b>	NIL	NIL	NIL
<b>Shareholding of Non-executive Director</b>	N.A	Nil	NIL
<b>Relationships between Directors inter-se</b>	N.A	N.A	N.A

**\*Pvt. Companies excluded**

**Date: 12<sup>th</sup> August, 2019**  
**Place: Ahmedabad**

**Registered Office:-**  
 103, Sun Square,  
 Nr. Klassic gold hotel,  
 off. C.G.Road, Navrangpura,  
 Ahmedabad – 380 009

By Order of the Board of Directors  
 For, **Shree Metalloys Limited**  
**Sd/-**  
**Pratik R. Kabra**  
**Chairman & Managing Director**  
**DIN:(00006358)**

## **ANNEXURE TO THE NOTICE**

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

The following statement sets out all material facts relating to Special Business mentioned in the accompanying Notice:

#### **Item No. 3**

Pursuant to provisions of section 161(1) of the Companies Act, 2013 (hereinafter referred to as the Act) and pursuant to the Articles of Association of the Company, the Board of Directors of the Company appointed Mr. Tagaram L. Chowdhary as an Additional Director under the category of Non-Executive Independent Director on 14<sup>th</sup> November, 2018.

Pursuant to provisions of Section 161 of the Act, Mr. Tagaram L. Chowdhary holds office only up to the date of this Annual General Meeting of the Company.

Mr. Tagaram L. Chowdhary is not disqualified from being appointed as Director in terms of section 164 of the Act and has given his consent to act as Director. The Company has also received a declaration from Mr. Tagaram L. Chowdhary that he meets with criteria of independence as prescribed both under section 149(6) of the Act and Reg. 25 of SEBI (LODR), 2015. Section 149 of the Act, inter alia, stipulates the criteria of independence should a Company propose to appoint an Independent Director on its Board. As per the provisions of the said section, an Independent Director shall not be included in determining the total number of Directors liable to retire by rotation.

Mr. Tagaram L. Chowdhary possesses skills and experience in the field Metal. A Brief profile of Mr. Tagaram L. Chowdhary in nature of his expertise in specific functional areas and names of the Companies in which he holds directorships and memberships / chairperson of the Board/ Committees, shareholding and relationship between Directors inter se, as stipulated under Reg. 36 of SEBI (LODR), 2015 is forming a part of Annual Report.

In the opinion of the Board, Mr. Tagaram L. Chowdhary fulfils the conditions specified in the Act and rules made there under for his appointment as an Independent Director of the Company.

None of the Directors (except Mr. Tagaram L. Chowdhary), Key Managerial Personnel or their relatives is in any way concerned or interested, financially or otherwise in this resolution.

The Board recommends the resolution for your approval as an Ordinary Resolution.

#### **Item No. 4**

Mrs. Leena Vijayan was appointed as an additional director under the category of women Independent Director subject to allotment of DIN by concerned authority and w.e.f allotment of DIN. Under section 161 of the Companies Act, 2013, Mrs. Leena Vijayan holds his office upto the date of ensuing Annual General Meeting. Due notice under section 160 of the Act has been received to propose him as a candidate for the office of Director of the Company. The Board is also of the opinion that based on the declarations submitted by Mrs. Leena Vijayan, she fulfills the criteria relating to her independence as specified in Section 149(6) of the Companies Act, 2013 and Regulation 16 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015.

Mrs. Leena Vijayan does not hold any equity share of the Company. The period of office of Mrs. Leena Vijayan shall not be liable to determination by retirement of Directors by rotation, in terms of Section 149 (13) of the Companies Act, 2013 and the relevant rules made thereunder.

Brief profile of Mrs. Leena Vijayan in terms of Regulation 36 (3) of the Listing Regulations is forming part of this notice. Mrs. Leena Vijayan is not disqualified from being appointed as a Director in terms of Section 164 of the Companies Act, 2013.

The Board recommends passing of the resolution as set out in Item No. 4 of this Notice.

None of the Director of the Company except Mrs. Leena Vijayan is concerned or interested in this resolution.

#### **Item No. 5**

The Companies Act, 2013 aims to ensure transparency in the transactions and dealings between the related parties of the Company. The provisions of section 188(1) of the Companies Act, 2013 that govern the Related Party Transactions, requires that for entering into any contract or arrangement as mentioned herein below with the related party, the Company must obtain the prior approval of Board of Directors and in case of;

1. Sale, purchase or supply of any goods or materials directly or through appointment of agents exceeding ten percent of the turnover of the Company or rupees one hundred crore, whichever is lower as mentioned in Clause (a) and Clause (e) respectively of sub-section (1) of Section 188.
2. Leasing of property of any kind exceeding ten percent of the net worth or exceeding ten percent of turnover of the Company or rupees one hundred crore, whichever is lower as mentioned in clause (c) of sub-section (1) of Section 188.
3. availing or rendering of any services directly or through appointment of agents exceeding ten percent of the turnover of the Company or rupees fifty Crore, whichever is lower, as mentioned in clause (d) and clause (e) of sub-section (1) of Section 188.

Prior approval of the shareholders by way of an Ordinary Resolution must be obtained:

1. Sale, purchase or supply of any goods or materials;
2. Leasing of property of any kind;
3. Availing or rendering of any services;

In the light of the provisions of the Companies Act, 2013 and ("the Act") and/or the Securities and Exchange Board of India(Listing Obligations and Disclosure Requirements)Regulations, 2015 ("Listing Regulations"), the Board of Directors of your Company has approved the proposed transactions along with annual limit for 5 (Five) consecutive years including financial year 2019-20 that your Company may enter into with the related parties (as defined under section 2(76) of the Companies Act, 2013) the name of the related parties, name of the Director or Key Managerial Personnel who is related, if any and nature of relationship is mentioned in the resolution. The respective transactions may carry out on arm's Length basis and all factors relevant to the respective transactions may consider by the Board. The Company will seek fresh approval of shareholders under applicable provisions on completion of 5 (five) consecutive years.

None of the Directors except Mr. Pratik R Kabra along with their relatives are interested in the said resolution except to the extent of their Shareholding. The Board recommends the Ordinary Resolution set out at Item No. 5 of the Notice for approval by the Shareholders.

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

**Date: 12<sup>th</sup> August, 2019**  
**Place: Ahmedabad**

**Sd/-**  
**Pratik R. Kabra**  
**Chairman & Managing Director**  
**DIN:-00006358**

**Registered Office:-**  
103, Sun Square,  
Nr. Klassic gold hotel,  
off. C.G.Road,Navrangpura,  
Ahmedabad – 380 009

## Director's Report

Dear Members,

Your Directors have pleasure in presenting the 25<sup>th</sup> Annual Report on business and operations of the Company together with the Audited Financial Statements of the Company for the year ended on 31<sup>st</sup> March, 2019.

### 1. FINANCIAL RESULTS:

The financial performance of the Company for the year ended 31<sup>st</sup> March, 2019 is summarized below:

(Amount in Rupees)		
FINANCIAL RESULTS	F.Y 2018-19	F.Y 2017-18
Total Revenue from Operations (Net) (Incl. Changes in Inventories)	42,25,34,855	42,27,55,898
Total Expenditure (Excluding Depreciation)	41,75,81,865	41,84,26,069
Gross Profit/(Loss)	49,52,990	43,29,829
Less:		
Depreciation	23,10,406	22,28,462
Provision for Taxation	-	-
Earlier year's Tax		
Deferred Tax liabilities	4,20,803	(2,46,973)
Current Tax	7,24,729	5,17,200
Profit/ (Loss) after Tax (PAT)	14,97,052	18,31,140
Other Comprehensive Income	(172634)	108049
Total Comprehensive Income	13,24,418	19,39,189

### 2. OVERVIEW OF COMPANY'S FINANCIAL PERFORMANCE:

The overall Revenue of the Company for the Current Financial year 2018-19 has decreased to Rs.42,25,34,855/- as compared to Rs.42,27,55,898/- in the Previous Financial year 2017-18. The Company's PAT as on 31<sup>st</sup> March 2019 is recorded at Rupees 14,97,052/-, as against 18,31,140/-.

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

### 3. AMOUNT TRANSFERRED TO RESERVE:

During the year under review, the Company has not transferred any amount to reserves.

### 4. DIVIDEND:

To conserve the resources for the future requirement of the company, your directors have not recommended any dividend for the year.

### 5. TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND:

Since there was no unpaid/unclaimed Dividend declared and paid last year, the provisions of Section 125 of the Companies Act, 2013 do not apply.

**6. CHANGES IN SHARE CAPITAL:**

At present, the paid up Equity Share Capital of the Company is **Rs. 5, 25, 63,000/-** (Five Crore Twenty Five Lakh and Sixty Three Thousand rupees only).

The company has neither issued shares with differential rights as to dividend, voting or otherwise nor issued shares (including sweat equity shares) to the employees or directors of the company; under any scheme. Your Company does not have any ESOP scheme for its employees/Directors.

**7. PUBLIC DEPOSITS:**

The Company has not accepted or renewed any amount falling within the purview of provisions of Section 73 and 76 of the Companies Act, 2013 ("the Act") read with the Companies (Acceptance of Deposit) Rules, 2014 during the period under review. Hence, the requirement for furnishing the details of deposits which are not in compliance with Chapter V of the Act is not applicable. The question of non-compliance of the relevant provisions of the law relating to acceptance of deposit does not arise.

**8. CHANGE IN THE NATURE OF THE BUSINESS:**

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

**9. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES:**

During the year under review, the Company has entered into any contracts or arrangements with related parties in terms of Section 188(1) of the Companies Act, 2013. The particulars of Contracts or Arrangements made with related parties required to be furnished under section 134(3) (h) are disclosed in the prescribed form (**Form AOC-2**) which is attached to this Report as **Annexure- "A"**.

**10. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS MADE UNDER SECTION 186 OF THE COMPANIES ACT, 2013:**

The company has not given any loans or guarantees covered under the provisions of section 186 of the Companies Act, 2013 during the financial period under review. The details of the investments made by company are given in the notes to the financial statements.

**11. MATERIAL CHANGES AND COMMITMENT AFFECTING THE FINANCIAL POSITION OF THE COMPANY WHICH HAVE OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR OF THE COMPANY TO WHICH THE FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT:**

No material changes and commitments affecting the financial position of the Company occurred between the end of the financial year to which this financial statements relate and the date of this report.

**12. DISCLOSURE OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE:**

No orders have been passed by any Regulator or Court or Tribunal, impacting on the going concern status and the Company's operations in future.

**13. SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES:**

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



#### **14. ADEQUACY OF INTERNAL FINANCIAL CONTROLS:**

In Pursuant to Section 134(5)(e) of the Companies Act, 2013 the Internal Financial Controls with reference to financial statements as designed and implemented by the Company are adequate. The nature of the Company's business and size and complexity of its operations are in place and have been operating satisfactorily. Internal control systems consisting of policies and procedures are designed to ensure reliability of financial reporting, timely feedback on achievement of operational and strategic goals, compliance with policies, procedure, applicable laws and regulations and that all assets and resources are acquired economically, used efficiently and adequately protected.

During the period under review, no material or serious observation has been received from the Internal Auditors of the Company for inefficiency or inadequacy of such controls.

#### **15. PARTICULARS OF EMPLOYEES (DISCLOSURE UNDER RULE 5 OF COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014):**

The information required under Section 197 of the Companies Act, 2013 read with rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is provided in the Report and marked as **Annexure-“B”**. No employee of the Company was in receipt of the remuneration exceeding the limits prescribed in the rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

#### **16. EXTRACT OF ANNUAL RETURN:**

The extract of the Annual Return pursuant to the provisions of Section 92 read with Rule 12 of the Companies (Management and administration) Rules, 2014 in Form MGT-9 is appended here in **Annexure- “C”** to this Report.

#### **17. PARTICULARS OF CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO:**

##### **i) CONSERVATION OF ENERGY :**

- The steps taken or impact on conservation of energy: As the Company does not have heavy plant and machineries, which could have consume more electricity, therefore, the Company has not taken any steps towards conservation of energy.
- The steps taken by the Company for utilizing alternate sources of energy: The Company has not taken any steps to use alternate sources of energy.
- The Capital investment on energy conservation equipment's: Nil

##### **ii) TECHNOLOGY ABSORPTION :**

- The efforts made towards technology absorption: No
- The benefits derived like product improvement, cost reduction, product development or import substitution: Nil
- In case of imported technology (imported during the last three years reckoned from the beginning of the financial year)- Not Applicable
  - the details of technology imported
  - the year of import;
  - whether the technology been fully absorbed;
  - if not fully absorbed, areas where absorption has not taken place, and the reasons thereof; and
- The expenditure incurred on Research and development ( R & D ) : NIL

**iii) FOREIGN EXCHANGE EARNINGS & OUT GO :**

- **Foreign Exchange Earning :** NIL
- **Foreign Exchange Outgo :**
  - CIF Value of Import : Rs.1,67,10,254/-
  - Expenditure in Foreign Currency : NIL

**18. AUDITORS :**

The matters related to Auditors and their Reports are as under:

**A. Statutory Auditors**

M/s Talati & Talati, Chartered Accountants, was appointed as Statutory Auditors for a period of 5 year(s) in the Annual General Meeting held on 25<sup>th</sup> September, 2017 to hold the office till the conclusion of 28<sup>th</sup> Annual General Meeting of the Company to be held in the year 2022. (Subject to ratification of their appointment at every AGM).

In accordance with the Companies Amendment Act, 2017, enforced on 7<sup>th</sup> May, 2018 by the Ministry of Corporate Affairs, the appointment of Statutory Auditor is not required to be ratified at every Annual General Meeting.

There are no qualifications, reservations or adverse remarks made by M/s Talati & Talati, Chartered Accountants, the Statutory Auditors of the Company, in their report.

**B. Secretarial Auditors**

Section 204 read with Section 134(3) of the Companies Act, 2013, mandates to obtain Secretarial Audit Report from Practising Company Secretary. M/s Nikhil Suchak & Associates, Practising Company Secretaries had been appointed as Secretarial Auditor of the Company for the financial year 2018-19.

Secretarial Audit Report issued by M/s Nikhil Suchak & Associates, Practising Company Secretaries in Form MR-3 attached and marked as **Annexure-“D”**, for the period under review forms part of this report.

The said report contains observation or qualification certain observation and qualification which are mentioned here in under.

- a) As per the regulations of 31 (2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, hundred percent of shareholding of promoter(s) and promoter group should be in Dematerialized form, however the process of dematerialization of hundred percent of shareholding of promoter(s) and promoter group has not been completed.*
- The Board noted the fact about the Non- Dematerialization of the whole Promoters' Share holding and accordingly intimated to the concerned Promoters. The Company has received a positive confirmation from the promoters who are holding shares in Physical form, to initiate the process of converting their shares in Demat form.

- b) Non Compliance of regulation 6 (1) of SEBI (Listing Obligation Disclosure Requirements) Regulation, 2015 which stipulates that a listed entity shall appoint a Qualified Company Secretary as Compliance officer of the Company, however the Company has not appointed the same for the period 1<sup>st</sup> April, 2018 to 27<sup>th</sup> June, 2018.**
- The Board of Directors during the year were in search of right candidate to the post and in their meeting held on 27<sup>th</sup> June, 2018 the Board has appointed Ms. Bhavika Dilip Lalwani as whole time company secretary and Compliance Officer of the company
- c) Non-compliance of regulations 30 under Securities And Exchange Board Of India (Listing Obligations And Disclosure Requirements) Regulations, 2015 read with Schedule III regarding filing of Outcome of Board Meeting within 30 minutes of the closure of the meeting to the stock exchange for the board meeting held on 27.06.2018**
- Due to inadvertence the Company failed to file the outcome of the board of directors meeting held on 27.06.2018 within the stipulated time limit of 30 minutes as per regulations 30 under Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. However company had filed the same with mere delay of two hours thirty minutes.
- d) As per Section 167 of the Companies Act, 2013 the office of a director shall become vacant in case he incurs any of the disqualifications specified in section 164 of the Companies Act, 2013 and accordingly the office of a director of the company i.e. Mr Pankhil Desai (DIN: 02908540) shall stand vacate as he is disqualified under section 164(2) of the Companies Act, 2013.**
- The Board of directors of the company has three independent director including Mr. Pankhil Desai (DIN: 02908540). It is to be noted that Mr. Pankhil Desai informed to the company that he has not received any communication relating to his disqualification and therefore he was under the impression that he is not disqualified and also submitted declaration of his non disqualification accordingly. The error relating to continuance of Mr. Pankhil Desai as Independent director of company was inadvertent in nature. However when the company came to know about disqualification of Mr. Pankhil Desai under section 164(2) of the Companies Act, 2013, the Board appointed a new Independent Director on 14/11/2018 and also treated Mr. Pankhil Desai ceased to be the Independent Director of the Company.
- e) Non Compliance of Section 177(2) of the Companies Act, 2013 which stipulates that the Audit Committee shall consist of minimum three directors with Independent Director forming the majority, however the company has not complied the same from the period of 13<sup>th</sup> August,2018 Upto 14<sup>th</sup> November, 2018 as during that period the audit committee consist of Mr Pratik Kabra (Executive director) and Mrs. Kanchan Kabra (Independent Director).**
- The company has validly constituted Audit Committee which consist of three member with Independent Director forming the majority, However due to resignation of Mr. Bhupendarsingh Rajput (DIN: 00853722) from the post of Independent Director on 13<sup>th</sup> August, 2018, the audit committee fall short of one independent director . It is to be noted that during the period from 13<sup>th</sup> August, 2018 to 13<sup>th</sup> November, 2018 no meeting of audit committee held.

- The board of directors has appointed Mr. Tagaram chowdhary (DIN: 00483173) as an Additional Director under the category of Independent Director on 14<sup>th</sup> November, 2018 and also re-constituted the Audit Committee on 14<sup>th</sup> November, 2018 and appointed Mr. Tagaram chowdhary (DIN: 00483173) as one of the member of the Audit committee of the company and by that appointment the company has complied with applicable provision of the Companies Act, 2013.

***f) Non Compliance of Section 178(1) of the Companies Act, 2013 which stipulates that the Nomination and Remuneration Committee shall consist of three or more non-executive directors out of which not less than one-half shall be independent directors, however the company has not complied the same for the period Upto 14<sup>th</sup> November, 2018 as one of its member Mr. Pankhil Desai (DIN: 02908540) (Independent Director) is disqualified u/s 164 of the Companies Act, 2013.***

- The company constituted the Nomination and Remuneration committee which consist of three members including two independent directors.
- However the board of director were not aware about the disqualification of Mr. Pankhil Dineshbhai Desai u/s 164 of the Companies Act, 2013, the company has not re- constitute the Nomination and Remuneration committee , further on appointment of appointed Mr. Tagaram chowdhary (DIN: 00483173) as an Independent director of the Company on 14<sup>th</sup> November, 2018, the Nomination and Remuneration committee was re-constituted and Mr. Tagaram chowdhary (DIN: 00483173) added as one of the member of the Nomination and Remuneration committee of the company and by that appointment the company has complied with applicable provision of the Companies Act, 2013.

***g) As per Section 168 (1) of the Companies Act, 2013 read with rule 15 of the Companies (Appointment and Qualification of Directors) Rules, 2014 the Company has not filled e-form DIR-12 relating to the appointment/resignation of Director within the stipulated time. The company has made default in filing form DIR-12 of following person;***

1. Mr. Pankhil Desai (DIN: 02908540)
2. Mr. Tagaram Chowdhary (DIN: 00483173)

- The Company missed to file DIR-12 relating to the appointment/resignation of Director with the MCA within the stipulated time period and such non-filing was not intentional. Further, the Company is in process to file the necessary form on MCA portal.

***h) As per Regulation 30 of SEBI (Listing Obligation Disclosure Requirements) Regulation, 2015 read with Schedule III of the said regulation the Company has not filed disclosure to stock exchange regarding change in directors within 30 minutes.***

The Company missed to file disclosure as per Regulation 30 relating to the appointment of Mr. Tagaram Chowdhary (DIN: 00483173), Director and cessation of Mr. Pankhil Desai (DIN: 02908540), Director with the Stock Exchange within the stipulated time period and such non-filing was not intentional.

### **C. Cost Auditors**

The Company has not appointed the Cost Auditor as pursuant to Section 148(1) of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Amendment Rules, 2014, as the cost audit is not applicable to the Company.

## 19. MATTERS RELATED TO DIRECTORS AND KEY MANAGERIAL PERSONNEL:

### a) Composition of Board:

Name of Director	Designation	Category
Mr. Pratik R. Kabra (DIN:00006358)	Chairman & Managing Director	Promoter Executive Director
Tagaram chowdhary***** (DIN:00483173)	Additional Director	Non-executive Independent Director
Mr.Govindlal M. Dudani* (DIN:07775287)	Director	Non-executive Director
Mr. Bhupendra Singh Rajput** (DIN:00853722)	Independent Director	Non-executive Independent Director
Mrs. Kanchan G. Kabra*** (DIN:03417138)	Independent Director	Non-executive Independent Woman Director
Mrs. Leena Vijayan****	Additional Director (w.e.f. Allotment of DIN)	Non-executive Woman Independent Director
Mr. Pankhil Dineshbhai Desai #	Independent Director	Non-executive Independent Director

\*Mr. GovindlalDudani was resigned from the post of Chief Financial Officer and appointed as a Non-Executive director on 13/08/2018.

\*\* Mr. Bhupendra Singh Rajput was resigned from the post of Independent Director on 13/08/2018.

\*\*\* Mrs. Kanchan G. Kabra was resigned from the post of Women Independent Director on 11/06/2019.

\*\*\*\* Mrs. Leena Vijayan was appointed as a women independent director on 12/08/2019 with effect from allotment of DIN.

\*\*\*\*\* Mr. Tagaram L. Chowdhary was appointed as a Non-Executive independent director w.e.f 14/11/2018.

# Mr. Pankhil Dineshbhai Desai (DIN: 02908540), vacant his office from the post of independent director w.e.f. on 14/11/2018 as he was disqualified under section 164 of the Companies Act, 2013.

### b) Retire by Rotation and subsequent re-appointment :

Mr. Pratik R.Kabra (DIN: 00006358), is liable to retire by rotation at the ensuing AGM in accordance with the provisions of Section 152(6) of the Companies Act, 2013 read with the Companies (Appointment and Qualification of Directors) Rules, 2014 and the Articles of Association of Company and being eligible have offered himself for reappointment. Appropriate resolutions for the re-appointment are being placed for your approval at the ensuing AGM. The Board recommends his re-appointment.

### c) Director Appointment/Cessations:

#### Appointment/Change in Designation

- The Company has appointed Mr. Tagaram L Chowdhary (DIN: 00483173) as an additional director under Non-Executive Independent Director of the Company w.e.f 14.11.2019 and also designated Mr. Govindlal Dudani (DIN: 07775287) as Non-Executive Director from Executive Director w.e.f. 13/08/2018.

- Mrs. Leena Vijayan was appointed as an additional director under the category of women Independent Director subject to allotment of valid Director Identification Number (DIN) and her appointment shall be considered from the date of allotment of DIN.

***Cessation:***

- Mr. Bhupendra Singh Rajput (DIN: 00853722), has tendered his resignation from the post of Independent Director on 13/08/2018.
- Mr. Pankhil Dineshbhai Desai (DIN: 02908540), vacated his office from the post of independent director w.e.f. on 14/11/2018 as he was disqualified under section 164 (2) of the Companies Act, 2013.

***d) Key Managerial Personnel:***

The following persons have been designated as Key Managerial Personnel of the Company pursuant to Section 2(51) and Section 203 of the Companies Act, 2013 read with the Rules framed there under:

1. Mr. Pratik R. Kabra - Managing Director (DIN: 00006358)
2. Mr. Nimish H. Bavishi - Chief Financial Officer w.e.f. 13/08/2018
3. Ms. Bhavika D. Lalwani - Company Secretary & Compliance Officer w.e.f. 27/06/2018

**Appointment/Cessation of KMP**

- Mr. Govindlal Dudani was resigned from the post of Chief Financial Officer and appointed as a Non-Executive director on 13/08/2018.
- Ms. Bhavika D. Lalwani was appointed as Company Secretary & Compliance Officer w.e.f. 27/06/2018
- Mr. Nimish H. Bavishi was appointed as Chief Financial Officer (CFO) with effect from 13/08/2018.

***e) Declaration By Independent Director:***

Your Company has received a statement of declarations from all the Independent Directors that they meet the criteria of independence as laid down under the section 149(6) of the Companies Act, 2013 with the Schedules and Rules issued thereunder, and also in accordance to Regulation 16(1) (b) of Securities and Exchange Board of India (Listing Obligations and Disclosures Requirements) Regulations, 2015.

***f) Board Evaluation:***

Pursuant to the provisions of the Companies Act, 2013 as provided under Schedule IV (Code of independent director) of the Act and the Regulation 17(10) of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, made there under, the Independent Directors held their meeting to evaluate the performance of the Non Independent Directors and the Board as a whole. Each Board member's contribution, their participation was evaluated and the domain knowledge they brought. They also evaluated the manner in which the information flows between the Board and the Management and the manner in which various documents are prepared and furnished by the Board.

Subsequently the Board adopted a formal mechanism for evaluating its performance and as well as that of its Committees and individual Directors, including the Chairman of the Board.

The exercise was carried out through a structured evaluation process covering various aspects of the Board functioning such as composition of the Board & committees, experience & competencies, performance of specific duties & obligations, contribution at the meetings and otherwise, independent judgment, governance issues etc.

## **20. DIRECTORS' RESPONSIBILITY STATEMENT:**

Pursuant to Section 134(5) of the Companies Act, 2013 (including any statutory modification(s) or re-enactment(s) for the time being in force) the Board of Directors of your company states its responsibility Statement:

- i. In the preparation of the annual accounts for the financial year ended 31<sup>st</sup> March, 2019, the applicable accounting standards and Schedule III of the Companies Act, 2013 (including any statutory modification(s) or re-enactment(s) for the time being in force), have been followed along with proper explanation relating to material departures;
- ii. 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 as at 31<sup>st</sup> march, 2019 and of the profit or loss of the Company for the year ended 31<sup>st</sup> March, 2019.
- iii. The directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of Companies Act, 2013 (including any statutory modification(s) or re-enactment(s) for the time being in force) for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- iv. The directors had prepared the annual accounts on a going concern basis.
- v. The directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.
- vi. The directors had devised proper system to ensure compliance with the provisions of all applicable laws and that such system was adequate and operating effectively.

## **21. NUMBER OF BOARD MEETINGS CONDUCTED DURING THE YEAR UNDER REVIEW AND DATES:**

The Company had conduct 6 (Six) Board meetings during the financial year 2018-19 under review on: 30<sup>th</sup>May 2018, 27<sup>th</sup>June 2018, 13<sup>th</sup>August 2018, 14<sup>th</sup>November 2018, 11<sup>th</sup> February 2019 and 30<sup>th</sup> March 2019.

**The details of attendance of Directors at the Board Meetings and at the last Annual General Meeting are as under:**

Name of Director(s)	Number of Board Meetings held and attended during the year		Attended Last AGM
	Held during the tenure	Attended	
Mr. Pratik R. Kabra	6	6	Yes
Mr. Govindlal M. Dudani	6	6	Yes
Mr. Bhupendra Singh Rajput	3	3	Yes
Mr. TAGARAM L. CHOWDHARY	3	3	N.A.

<b>Mrs.Kanchan G. Kabra</b>	6	6	Yes
<b>Mr. Pankhail Desai</b>	3	3	Yes

## 22. COMMITTEES OF THE BOARD:

The Board Committees are set up under the formal approval of the Board to carry out clearly defined roles under which are considered to be performed by members of the Board. The Board supervises the execution of its responsibilities by the Committees and is responsible for their action.

### A) AUDIT COMMITTEE:

Pursuant to the provisions of section 177(8) of the Companies Act, 2013, the Board hereby discloses the composition of the Audit Committee and other relevant matters as under:

#### ▪ Composition of the Committee:

<b>Name of Directors</b>	<b>Category</b>	<b>Designation</b>	<b>Number of Meeting entitled to attend</b>	<b>Number of Meeting Attended</b>
<b>Mrs. Kanchan Kabra</b>	Non-executive & Independent	Chairman	4	4
<b>Mr. Bhupendra Singh Rajput*</b>	Non-executive & Independent	Member (upto 13.08.2018)	2	2
<b>Mr. Pratik R. Kabra</b>	Promoter Executive Director	Member	4	4
<b>Mr. Tagaram L Chowdhary**</b>	Non-executive & Independent	Member (W.e.f 14.11.2018)	2	2

\*Mr. Bhupendra Singh Rajput has resigned from the post of Independent Director on 13<sup>th</sup> August, 2018

\*\*Mr. Tagaram L. Chowdhary was appointed as a Non-Executive independent director w.e.f. 14/11/2018.

The Audit Committee acts in accordance with the terms of reference specified by the Board of Directors of the Company. Further during the period under review, the Board of Directors of the Company had accepted all the recommendations of the Committee.

During the Year, 4(Four) meetings of the Committee were held on 30<sup>th</sup>May 2018, 13<sup>th</sup>August 2018, 14<sup>th</sup>November 2018 and 11<sup>th</sup>February 2019. The necessary quorum was present at the Meetings.

**As on 31.03.2019 Audit Committee comprises following members.**

<b>Name of Directors</b>	<b>Category</b>	<b>Designation</b>
Mrs. Kanchan Kabra	Non-executive & Independent	Chairman
Mr. Pratik R. Kabra	Promoter Executive Director	Member
Mr. Tagaram L Chowdhary	Non-executive & Independent	Member



▪ ***Vigil Mechanism/Whistle Blower Policy:***

Your Company is committed to highest standards of ethical, moral and legal business conduct of business operations. Accordingly the Board of Directors of the Company has, pursuant to the provisions of Section 177(9) of the Companies Act, 2013 read with Rule 7 of the Companies (Meetings of Board and its Powers) Rules, 2014, framed the Whistle Blower Policy for Directors and employees of the Company to provide a mechanism which ensures adequate safeguards to employees and Directors from any victimization on raising of concerns of any violations of legal or regulatory requirements, incorrect or misrepresentation of any, financial statements and reports etc.

The employees of the Company have the right/option to report their concern/grievance to the Chairman of the Audit Committee. No person has been denied access to the chairman of the Audit Committee.

During the financial year 2018-19, all the directors and employees had full access to approach the Vigil Mechanism Officer. No complaint was received during the year 2018-19 of any sort from any directors and employee of your company. Whistle Blower Policy is disclosed on the website of the Company [www.shreemetalloys.com](http://www.shreemetalloys.com).

***B) NOMINATION AND REMUNERATION COMMITTEE:***

▪ **Composition of the Committee:**

<b>Name of Directors</b>	<b>Category</b>	<b>Designation</b>	<b>Number of Meeting entitle to attend</b>	<b>Number of Meeting Attended</b>
<b>Mrs. Kanchan Kabra</b>	Non-executive & Independent	Chairman	3	3
<b>Mr. Bhupendra Singh Rajput*</b>	Non-executive & Independent	Member (upto 13.08.2018)	2	2
<b>Mr. Pankhil Desai***</b>	Non-executive & Independent	Member (Upto 14.11.2018)	3	3
<b>Mr. Govindlal M. Dudani#</b>	Non-executive	Member (w.e.f 13.08.2018)	2	2
<b>Mr. Tagaram L Chowdhary**</b>	Non-executive & Independent	Member (w.e.f. 14.11.2018)	1	1

#Mr. Govindlal Dudani was resigned from the post of Chief Financial Officer and appointed as a Non-Executive director on 13/08/2018.

\*Mr. Bhupendra Singh Rajput has resigned from the post of Independent Director on 13/08/2018.

\*\*Mr. Tagaram L. Chowdhary was appointed as a Non-Executive independent director w.e.f. 14/11/2018.

\*\*\*Mr. Pankhil Dineshbhai Desai (DIN: 02908540), vacant his office from the post of independent director w.e.f. on 14/11/2018 as he was disqualified under section 164 of the Companies Act, 2013

▪ **Meeting:**

During the Year, 3 (Three) meeting of the committee was held on 27<sup>th</sup> June, 2018, 13<sup>th</sup> August, 2018 and 14<sup>th</sup> November, 2018.

**As on 31.03.2019 Nomination and Remuneration Committee comprises following members.**

<b>Name of Directors</b>	<b>Category</b>	<b>Designation</b>
Mrs. Kanchan Kabra	Non-executive & Independent	Chairman
Mr. Govindlal Dudani	Non-executive Director	Member
Mr. Tagaram L Chowdhary	Non-executive & Independent	Member

The Board has in accordance with the provisions of sub-section (3) of Section 178 of the Companies Act, 2013, formulated the policy setting out the criteria for determining qualifications, positive attributes, independence of a Director and policy relating to remuneration for Directors, Key Managerial Personnel and other employees. The said policy is furnished in **Annexure-** and is attached to this report

**C) STAKEHOLDERS RELATIONSHIP COMMITTEE:**

During the period under review, pursuant to Section 178(5) of the Companies Act, 2013 Regulation 20 of the Listing (Obligations and Disclosure Requirements) Regulations, 2015 with Stock Exchanges. The Board of Directors of the Company constituted the Stakeholder's Relationship Committee.

▪ **Composition of the Committee:**

<b>Name of Directors</b>	<b>Category</b>	<b>Designation</b>	<b>Number of Meeting entitled to attend</b>	<b>Number of Meeting Attended</b>
Mr. Bhupendra Singh Rajput*	Non-executive & Independent	Chairman (upto13.08.2018)	1	1
Mr. Govindlal M. Dudani**	Non-executive	Chairman (w.e.f.13.08.2018)	2	2
Mrs. Kanchan Kabra	Non-executive & Independent	Member	3	3
Mr. Pratik R. Kabra	Promoter Executive Director	Member	3	3

\*Mr. Bhupendra Singh Rajput has resigned from the post of Independent Director on 13<sup>th</sup> August, 2018.

\*\*Mr. Govindlal Dudani was resigned from the post of Chief Financial Officer and appointed as a Non-Executive director on 13<sup>th</sup> August, 2018.

**As on 31.03.2019 Stakeholders Relationship Committee comprises following members.**

<b>Name of Directors</b>	<b>Category</b>	<b>Designation</b>
Mr. Govindlal Dudani	Non-executive Director	Chairman
Mrs. Kanchan Kabra	Non-executive & Independent	Member
Mr. Pratik R. Kabra	Promoter Executive Director	Member

- **Details of Investor's grievances/ Complaints**

No. of investors' complaints received by the RTA/ Company during the year: Nil  
 No. of complaints not solved to the satisfaction of shareholders/Investors during the year: Nil  
 No. of complaints pending as at the end of the current financial year 31<sup>st</sup>March, 2019: Nil

- **Compliance Officer**

The Compliance officer of the Company is Mrs. Bhavika Lalwani w.e.f. 27-06-2018.

- **Meetings of the Committee**

The Committee duly met Three (3) times on 21<sup>st</sup>May, 2018, 30<sup>th</sup> November 2018 and 31<sup>st</sup> December, 2018.

## **23. MANAGEMENT'S DISCUSSION AND ANALYSIS REPORT:**

The Management's Discussion and Analysis Report for the year under review, as stipulated under Regulation 34(2)(e) of the Listing Regulations is given as an annexure to this report.

## **24. CORPORATE SOCIAL RESPONSIBILITY INITIATIVES:**

The provision of section 135(1) of Companies Act 2013 i.e. Corporate Social Responsibility is not applicable on the company. Therefore, the company has not constituted and developed CSR committee neither taken any steps towards Corporate Social Responsibility.

## **25. STATEMENT REGARDING DEVELOPMENT AND IMPLEMENTATION OF RISK MANAGEMENT POLICY:**

The Company does not have any Risk Management Policy or any statement concerning development and implementation of risk management policy of the company as the elements of risk threatening the Company's existence are very minimal.

## **26. CORPORATE GOVERNANCE:**

As per the provisions of SEBI (Listing Obligations and Disclosures requirement) Regulation, 2015, the annual report of the listed entity shall contain Corporate Governance Report and it is also further provided that if the Company is not having the paid up share capital exceeding Rs. 10 crores and Net worth exceeding Rs. 25 crores, the said provisions are not applicable. As our Company does not have the paid up share capital exceeding Rs. 10 crores and Net worth exceeding Rs. 25 crores, the Corporate Governance Report is not applicable and therefore not provided by the Board.

## **27. GENERAL SHAREHOLDERS INFORMATION:**

- **Annual general meeting :**

Day and Date	Time	Venue
Saturday, 28 <sup>th</sup> September, 2019	11.00 a.m.	103, SUN SQUARE, NR. KLASSIC GOLD HOTEL, OFF. C.G.ROAD, NAVRANGPURA, AHMEDABAD -380009

▪ **Financial Calendar for 2019-2020 (tentative schedule, subject to change)**

The Company expects to announce the unaudited/audited quarterly results for the year 2019-20 as per the following schedule:

<b>Period</b>	<b>Approval of Quarterly results</b>
Quarter ending 30th June, 2019	By 2 <sup>nd</sup> Week of August 2019
Quarter and half year ending 30th September, 2019	By 2 <sup>nd</sup> Week of November, 2019
Quarter ending 31st December, 2019	By 2 <sup>nd</sup> Week of February, 2020
The year ending 31st March, 2020	By end of May, 2020

▪ **Listing:**

The Equity Shares of the Company are listed on Bombay Stock Exchange (BSE). The company has paid its Annual Listing fees to the Stock Exchange for the year 2019-20; further the Company is regular in compliances of various clauses and regulations of the Listing Agreement and/or LODR.

***ACKNOWLEDGEMENT:***

Your Directors wish to acknowledge and place on record their appreciation for the support extended by Bankers and Office bearers of Government Department and Financial Institutions. Your Directors thank all, esteemed customers, suppliers and business associates for their faith, trust and confidence reposed in the Company. Your Directors also acknowledge the continued invaluable support extended by you our shareholders and the confidence that you have placed in the company.

**Regd. Office:**

103, SUN Square,  
Nr. Klassic Gold Hotel,  
Off. C.G.Road,  
Navrangpura,  
Ahmedabad -380009

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

**Date: 12<sup>th</sup> August, 2019**  
**Place: Ahmedabad**

Sd/-  
**Pratik R. Kabra**  
**Chairman & Managing Director**  
**DIN: (00006358)**

## **MANAGEMENT DISCUSSION & ANALYSIS REPORT**

Management Discussion & Analysis Report Pursuant to Regulation 34(2)(e) of Securities And Exchange Board Of India (Listing Obligations And Disclosure Requirements) Regulations, 2015.

### **I. Industry Structure and Development**

The Company is engaged in the business of trading of ferrous and non ferrous. The Company also extended its area of operations to manufacturing sector of non-ferrous metals by carrying out job works at its manufacturing facility. 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. Segment wise Performance:**

During the year the Company has not achieved a notable progress in its operations but due to its future expansion plans, projects and emerging opportunities your directors expect increase in its revenue and income. Our Company's operations belong to a single segment and therefore no segment wise performance given.

### **IV. Recent Trend and Future Outlook:**

The sector in which the Company has been operating is developing faster and provides ample growth opportunities. Further due to rise in foreign direct investment in the sector, Company will be able to develop projects at fast pace and looking forward for better development and high investment returns.

### **V. 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.

## **VI. Financial performance with respect to operational performance**

The financial performance of the Company for the year 2018-19 is described here in under.

(Amount in Rupees)

<b>FINANCIAL RESULTS</b>	<b>F.Y 2018-19</b>	<b>F.Y 2017-18</b>
<b>Total Revenue from Operations (Net) (Incl. Changes in Inventories)</b>	<b>42,25,34,855</b>	<b>42,27,55,898</b>
<b>Total Expenditure (Excluding Depreciation)</b>	<b>41,75,81,865</b>	<b>41,84,26,069</b>
Gross Profit/(Loss)	49,52,990	43,29,829
Less:		
Depreciation	23,10,406	22,28,462
Provision for Taxation	-	-
Earlier year's Tax		
Deferred Tax liabilities	4,20,803	(2,46,973)
Current Tax	7,24,729	5,17,200
<b>Profit/ (Loss) after Tax (PAT)</b>	<b>14,97,052</b>	<b>18,31,140</b>

## **VII. Material developments in Human Resources/Industrial Relations front, including the number of people employed.**

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.

## **VIII. In today's complex business environment, almost every business decision requires executives and managers to balance risk and reward. Effective risk management is therefore critical to an organization's success. Globalization, with increasing integration of markets, newer and more complex products & transactions and an increasingly stringent regulatory framework has exposed organisations to newer risks. As a result, today's operating environment demands a rigorous and integrated approach to risk management. Timely and effective risk management is of prime importance to our continued success. Increased competition and market volatility has enhanced the importance of risk management. The sustainability of the business is derived from the following:**

- (1) Identification of the diverse risks faced by the company.
- (2) The evolution of appropriate systems and processes to measure and monitor them.
- (3) Risk management through appropriate mitigation strategies within the policy framework.
- (4) Monitoring the progress of the implementation of such strategies and subjecting them to Periodical audit and review.
- (5) Reporting these risk mitigation results to the appropriate managerial levels.

**IX. 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

**Regd. Office:**

103, SUN Square,  
Nr. Klassic Gold Hotel,  
Off. C.G.Road,  
Navrangpura,  
Ahmedabad -380009

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

**Date : 12<sup>th</sup> August, 2019**  
**Place : Ahmedabad**

Sd/-  
**Pratik R. Kabra**  
**Chairman & Managing Director**  
**DIN: (00006358)**

**Annexure-“A”**  
**FORM NO. AOC-2**

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

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

**1. Details of Contracts or arrangements or transactions not at arm's Length basis:-**

Sr. No.	Name(s) of the related party and nature of relationship	Nature of Contract s/Arrangements / Transactions	Duration of The Contracts /Arrangements/Transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Justification for entering into such contracts or arrangements or transactions	Date(s) of Approval by the Board	Amount paid as advances, if any:	Date on which the special resolution was passed in general meeting as required under first proviso to section 188
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)
NIL								

**2. Details of contracts or arrangements or transactions at Arm's length basis:-**

Sr. No.	Name(s) of the related party and nature of relationship	Nature of Contracts/ Arrangements/ Transactions	Duration of The Contracts/ Arrangements/ Transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Date(s) of approval by the Board	Amount paid as advances, if any:
	(a)	(b)	(c)	(d)	(e)	(f)
1.	Shree Extrusion Ltd.	▪ Sales of Goods	Renewable On yearly basis	Rs. 96,38,337/-	30/05/2018	-
2.	Metal Alloys Corporation	▪ Sales of Goods	Renewable On yearly basis	Rs. 1,44,63,683/-	30/05/2018	-
3.	Pratik Kabra	▪ Rent	Renewable On yearly basis	Rs. 420000/-	30/05/2018	-
4.	Shree Extrusion Ltd.	▪ Sale of Machinery	Renewable On yearly basis	Rs. 25,39,671/-	30/05/2018	

**Place: Ahmedabad**  
**Date: 12<sup>th</sup> August, 2019**

For and on behalf of the Board of Directors

**Sd/-**  
**Pratik R. Kabra**  
**Chairman & Managing Director**  
**(DIN: 00006358)**



**“ANNEXURE – B”**

The ratio of the remuneration of each director to the median employee's remuneration and other details in terms of Sub Section 12 of Section 197 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:

Sr. No.	Requirements	Disclosure	
		MD/WTD	N/A
I.	The ratio of remuneration to each director to the median remuneration of the employees for the financial year	Other Director	0.98 times
II.	The percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary in the financial year	MD/WTD	N/A
		Other Director	1.77 times
III.	The percentage increase in the median remuneration of employees in the financial year	9.86%	
IV.	The number of permanent employees on the rolls of the Company as on 31 <sup>st</sup> March, 2019	6	
V.	Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration.	Nil	
VI.	Affirmation that the remuneration is as per the remuneration policy of the Company	Yes, it is confirmed	

**Place:** Ahmedabad

**Date:** 12<sup>th</sup> August, 2019

For and on behalf of the Board of Directors

**Sd/-**  
**Pratik R. Kabra**  
**Chairman & Managing Director**  
**(DIN: 00006358)**

**Annexure-“C”  
Form No. 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**

1.	<b>CIN:</b>	L67120GJ1994PLC023471
2.	<b>Registration Date</b>	31/10/1994
3.	<b>Name Of The Company</b>	SHREE METALLOYS LIMITED
4.	<b>Category / Sub-Category Of the Company</b>	Company Listed By Shares / Indian Non Government Company
5.	<b>Address Of The Registered Office And Contact Details</b>	103, Sun Square, Nr. Klassic Gold Hotel, Off. C.G.Road, Navrangpura Ahmedabad-380009 Gujarat.
6.	<b>Whether Listed Company</b>	Yes
7.	<b>Name, Address And Contact Details Of Registrar And Transfer Agent, If Any</b>	MCS Share Transfer Agent Ltd. 12/1/5 Manoharpukur Road, Kolkata, West Bengal -700026. Contact:- 033 40724051/52 Email: <a href="mailto:mcsstaahmd@gmail.com">mcsstaahmd@gmail.com</a>

**II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY**

(All the business activities Contributing 10 % or more of the total turnover of the company shall be stated)

Sr. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1	Wholesale of metal and non-metal waste and scrap	46699	100%

**III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES**

S. N	NAME AND ADDRESS OF THE COMPANY	CIN/GLN	HOLDING/ SUBSIDIARY / ASSOCIATE	% of Shares held	Applicable Section
N.A.					

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

***(i) Category-wise Share Holding:-***

Category of Shareholders	No. of Shares held at the beginning of the year (01/04/2018)				No. of Shares held at the end of the year (31/03/2019)				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoters</b>									
<b>(1) Indian</b>									
a) Individual/HUF	2714687	212100	2926787	55.68	3598387	40100	3638487	69.22	13.54
b) Central Govt	-	-	-	-	-	-	-	-	-
c) State Govt(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	453100	-	453100	8.62	-	-	-	-	(8.62)
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any other Directors/Relatives	-	-	-	-	-	-	-	-	-
<b>Sub-total (A)(1):-</b>	3167787	212100	3379887	64.30	3598387	40100	3638487	69.22	4.92
<b>( Foreign</b>									
a) NRIs- Individuals	-	-	-	-	-	-	-	-	-
b) Other- Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	-	-	-	-	-	-	-	-	-
d) Bank/FI	-	-	-	-	-	-	-	-	-
e) Any	-	-	-	-	-	-	-	-	-
Other...	-	-	-	-	-	-	-	-	-
<b>Sub-total (A)(2):-</b>	-	-	-	-	-	-	-	-	-
<b>Total Shareholding of Promoter (A)=(A)(1)+(A)(2)</b>	3167787	212100	3379887	64.30	3598387	40100	3638487	69.22	4.92

<b>B. Public Shareholding</b>									
<b>1. Institutions</b>									
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks / FI	-	-	-	-	-	-	-	-	-
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
<b>Sub-total (B)(1):-</b>	-	-	-	-	-	-	-	-	-
<b>2. Non-Institutions</b>									
<b>a) Bodies Corp.</b>									
i) Indian	21032	364500	385532	7.33	17528	-	17528	0.33	(7)
ii) Overseas	-	-	-	-	-	-	-	-	-
<b>b) Individuals</b>									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	189896	277561	430506	8.88	349241	400810	750051	14.26	5.38
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	261796	162900	424696	7.63	239226	-	239226	4.55	(3.08)
<b>c) Others</b>									
1.Hindu Undivided Families	483179	140300	623479	11.86	610958	-	610958	11.62	(0.24)
2.Non Resident Repatriates	-	-	-	-	50	-	50	-	-

<b>Sub-total (B)(2):-</b>	954952	921461	1876413	35.70	1217003	400810	1617813	30.76	(4.94)
Total Public Shareholding (B)=(B)(1)+(B)(2)	955903	920510	1876413	35.70	1217003	400810	1617813	30.76	(4.94)
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>	-	-	-	-	-	-	-	-	-
<b>Grand Total (A+B+C)</b>	4123690	1132610	5256300	100	4815390	440910	5256300	100	-

**(ii) Shareholding of Promoters:-**

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year (01/04/2018)			Share holding at the end of the year (31/03/2019)			% change in share holding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1.	Girjaben R. Kabra	536300	10.20	-	536300	10.20	-	NIL
2.	Govindram L. Kabra	496000	9.44	-	496000	9.44	-	NIL
3.	Mercury Metals Ltd.	453100	8.62	-	-	-	-	(8.62)
4.	Pratik R. Kabra	439419	8.36	-	439419	8.36	-	NIL
5.	Hansaben G. Kabra	350000	6.66	-	350000	6.66	-	NIL
6.	Neha R. Kabra	300000	5.71	-	300000	5.71	-	NIL
7.	Jinal P. Kabra	249255	4.74	-	249255	4.74	-	NIL
8.	Radheshyam L. Kabra	177400	3.37	-	802500	15.27	-	11.9
9.	Dhwani V. Maheshwari	166313	3.16	-	424913	8.08	-	4.92
10	Ramswaroop L. Kabra	107900	2.05	-	-	-	-	(2.05)
11	Ramprasad M. Kabra	40000	0.76	-	40000	0.76	-	NIL
12	Ramprakash L. Kabra	36500	0.69	-	-	-	-	(0.69)
13	Madhuben Rampakash	27600	0.53	-	100	0.00	-	(0.53)

14	<b>Gopal Mittal</b>	100	0.00	-	-	-	-	-
	<b>TOTAL</b>	<b>3379887</b>	<b>64.30</b>	<b>-</b>	<b>3638487</b>	<b>69.22</b>	<b>-</b>	<b>4.92</b>

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

Sr. No.		Reason	Shareholding at the beginning of the year		Cumulative shareholding during the year	
			No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
<b>1.</b>	<b>Girjaben R. Kabra</b>					
	At the beginning of the year		536300	10.20	536300	10.20
	Date wise Increase/Decrease in Shareholding during the year	No changes during the year				
	At the end of the year		536300	10.20	536300	10.20
<b>2.</b>	<b>Govindram L. Kabra</b>					
	At the beginning of the year		496000	9.44	496000	9.44
	Date wise Increase/Decrease in Shareholding during the year	No changes during the year				
	At the end of the year		496000	9.44	496000	9.44
<b>3.</b>	<b>Mercury Metals Ltd.</b>					
	At the beginning of the year		453100	8.62	-	-
	Mercury Metals Ltd Sell 4,53,100/- shares in 1 <sup>st</sup> Quarter dt. 24-04-2018	Sell of Shares During the year	453100	8.62		
	At the end of the year		-	-	-	-
<b>4.</b>	<b>Pratik R. Kabra</b>					
	At the beginning of the year		439419	8.36	439419	8.36
	Date wise Increase/Decrease in Shareholding during the year	No changes during the year				
	At the end of the year		439419	8.36	439419	8.36
<b>5.</b>	<b>Hansaben G. Kabra</b>					
	At the beginning of the year		350000	6.66	350000	6.66
	Date wise Increase/Decrease in Shareholding during the year	No changes during the year				
	At the end of the year		350000	6.66	350000	6.66

<b>6.</b>	<b>Neha R. Kabra</b>					
	At the beginning of the year		300000	5.71	300000	5.71
	Date wise Increase/Decrease in Shareholding during the year	No changes during the year				
	At the end of the year		300000	5.71	300000	5.71
<b>7.</b>	<b>Jinal P. Kabra</b>					
	At the beginning of the year		249255	4.74	249255	4.74
	Date wise Increase/Decrease in Shareholding during the year	No changes during the year				
	At the end of the year		249255	4.74	249255	4.74
<b>8.</b>	<b>Radheshyam L. Kabra</b>					
	At the beginning of the year		177400	3.37	802500	15.27
	Radheshyam L. Kabra purchase 1,07,900/- shares in 1 <sup>st</sup> Quarter dt. 21-05-2018 (Inter-se)	Purchase of Shares during the year	107900	2.05	107900	2.05
	Radheshyam L. Kabra purchase 61,600/- shares in 3 <sup>rd</sup> Quarter dt. 30-11-2018 (Inter-se)	Purchase of Shares during the year	61600	1.17	61600	1.17
	Radheshyam L. Kabra purchase 2500/- shares in 3 <sup>rd</sup> Quarter dt. 31-12-2018 (Inter-se)	Purchase of Shares during the year	2500	0.05	2500	0.05
	Radheshyam L. Kabra purchase 453100/- shares in 1 <sup>st</sup> Quarter dt. 24-04-2018 (Inter-se)	Purchase of Shares during the year	453100	8.62	453100	8.62
	At the end of the year		802500	15.27	802500	15.27
<b>9.</b>	<b>Dhwani V. Maheshwari</b>					
	At the beginning of the year		166313	3.16	424913	8.08
	Dhwani V. Maheshwari purchase 2,58,600/- shares in 1 <sup>st</sup> Quarter dt. 21-05-2018	Purchase of Shares during the year	258600	4.92	258600	4.92
	At the end of the year		424913	8.08	424913	8.08
<b>10.</b>	<b>Ramswaroop L. Kabra</b>					
	At the beginning of the year		107900	2.05	-	-
	Ramswaroop L. Kabra Sell 1,07,900/- shares in 1 <sup>st</sup> Quarter dt. 21-05-2018	Sell of Shares during the year	107900	2.05		
	At the end of the year		-	-	-	-

<b>11</b>	<b>Ramprasad M. Kabra</b>					
	At the beginning of the year		40000	0.76	40000	0.76
	Date wise Increase/Decrease in Shareholding during the year	No changes during the year				
	At the end of the year		40000	0.76	40000	0.76
<b>12</b>	<b>Ramprakash L. Kabra</b>					
	At the beginning of the year		36500	0.69	-	-
	Ramprakash L. Kabra Sell 36,500/- shares in 3 <sup>rd</sup> Quarter dt. 30-11-2018	Sell of Shares during the year	36500	0.69		
	At the end of the year		-	-	-	-
<b>13</b>	<b>Madhuben Ramprakash</b>					
	At the beginning of the year		27600	0.53	100	0.00
	Madhuben Ramprakash Sell 25,000/- shares in 3 <sup>rd</sup> Quarter dt. 30-11-2018	Sell of Shares during the year	25000	0.48	25000	0.48
	Madhuben Ramprakash Sell 2500/- shares in 3 <sup>rd</sup> Quarter dt. 31-12-2018	Sell of Shares during the year	2500	0.05	2500	0.05
	At the end of the year		100	0.00	100	0.00
<b>14</b>	<b>Gopal Motilal</b>					
	At the beginning of the year		100	0.00	-	-
	Gopal Mittal Sell 100/- shares in 3 <sup>rd</sup> Quarter dt. 30-11-2018	Sell of Shares during the year	100	0.00	100	0.00
	At the end of the year		-	-	-	-



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

Sr. No.		Reason	Shareholding at the beginning of the year		Cumulative shareholding during the year	
			No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
	<b>For each of the Top 10 Shareholders</b>					
<b>1.</b>	<b>MAHESHAHARMAL SHAH HUF</b>					
	At the beginning of the year		195603	3.72	182833	3.48
	Maheshnaharmal Shah HUF Sell 12375/- shares in 1 <sup>st</sup> Quarter dt. 30-06-2018	Sell of Shares during the year	12375	0.24	12375	0.31
	Maheshnaharmal Shah HUF Sell 215/- shares in 2 <sup>nd</sup> Quarter dt. 30-09-2018	Sell of Shares during the year	215	-	215	-
	Maheshnaharmal Shah HUF Sell 180/- shares in 3 <sup>rd</sup> Quarter dt. 31-12-2018	Sell of Shares during the year	180	-	180	-
	At the end of the year		182833	3.48	182833	3.48
<b>2.</b>	<b>MUKESHKUMAR JAGDISHCHANDRA BANGUR</b>					
	At the beginning of the year		89940	1.71	131940	2.51
	Mukeshkumar J Bangur purchase 42,000/- shares in 1 <sup>st</sup> Quarter dt. 03-05-2018	Purchase of Shares during the year	42000	0.80	42000	0.80
	At the end of the year		131940	2.51	131940	2.51
<b>3.</b>	<b>AYUSH SHIVKUMAR AGRAWAL</b>					
	At the beginning of the year		-	-	-	-
	Ayush S. Agrawal purchase 120800/- shares in 3 <sup>rd</sup> Quarter dt. 21-12-2018	Purchase of Shares During the year	120800	2.30	120800	2.30
	At the end of the year		120800	2.30	120800	2.30
<b>4.</b>	<b>NARESH KAILASHCHANDRA JHAWER</b>					
	At the beginning of the year		106251	2.02	118426	2.25
	Naresh K. Jhaver purchase 14275/- shares in 3 <sup>rd</sup> Quarter dt. 21-12-2018	Purchase of Shares during the year	14,275	0.27	14,275	0.27

	Naresh K. JhaverSell 2100/- shares in 4 <sup>th</sup> Quarter dt. 18-01-2019	Sell of Shares during the year	2100	0.04	2100	0.04
	At the end of the year		118426	2.25	118426	2.25
<b>5.</b>	<b>JAGDISHCHANDRA D. BANGUR (HUF)</b>					
	At the beginning of the year		98300	1.87	98300	1.87
	Date wise Increase/Decrease in Shareholding during the year	No changes during the year				
	At the end of the year		98300	1.87	98300	1.87
<b>6.</b>	<b>ASHISHKUMAR JAGDISHCHANDRA. BANGUR(HUF)</b>					
	At the beginning of the year		97804	1.86	97804	1.86
	Date wise Increase/Decrease in Shareholding during the year	No changes during the year				
	At the end of the year		97804	1.86	97804	1.86
<b>7.</b>	<b>SWETA NARESH JHAVER</b>					
	At the beginning of the year		89100	1.70	89100	1.70
	Date wise Increase/Decrease in Shareholding during the year	No changes during the year				
	At the end of the year		89100	1.70	89100	1.70
<b>8.</b>	<b>BEENA V JAIN</b>					
	At the beginning of the year		72800	1.39	72800	1.39
	Date wise Increase/Decrease in Shareholding during the year	No changes during the year				
	At the end of the year		72800	1.39	72800	1.39
<b>9.</b>	<b>RAKESH J SHAH</b>					
	At the beginning of the year		50000	0.95	50000	0.95
	Date wise Increase/Decrease in Shareholding during the year	No changes during the year				
	At the end of the year		50000	0.95	50000	0.95
<b>10.</b>	<b>ASAWA CHATTARLAL JANKILAL HUF</b>					
	At the beginning of the year		50000	0.95	50000	0.95
	Date wise Increase/Decrease in Shareholding during the year	No changes during the year				
	At the end of the year		50000	0.95	50000	0.95

**(v)Shareholding of Directors and Key Managerial Personnel:-**

Sr No.	Shareholding of each Directors and each Key Managerial Personnel	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the Year	
			No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	<b>Mr. Pratik R. Kabra</b>					
	At the beginning of the year		439419	8.36	439419	8.36
	Date/Quarter wise Increase / Decrease in Promoters Share holding during the year)	No change During the year	-	-	-	-
	At the end of the year		439419	8.36	439419	8.36
2.	<b>Mr. Govindlal M. Dudani</b>					
	At the beginning of the year		NIL	NIL	NIL	NIL
	Date wise Increase / Decrease in Promoters Share holding during the year		NIL	NIL	NIL	NIL
	At the end of the year		NIL	NIL	NIL	NIL
3.	<b>Mr. Bhupendrasingh N. Rajput</b>					
	At the beginning of the year		NIL	NIL	NIL	NIL
	Date wise Increase / Decrease in Promoters Share holding during the year	-	NIL	NIL	NIL	NIL
	At the end of the year		NIL	NIL	NIL	NIL
4.	<b>Mr. TAGARAM L CHOWDHARY</b>					
	At the beginning of the year		NIL	NIL	NIL	NIL
	Date wise Increase / Decrease in Promoters Share holding during the year	-	NIL	NIL	NIL	NIL
	At the end of the year		NIL	NIL	NIL	NIL
5.	<b>Mr. Kanchan G. Kabra</b>					
	At the beginning of the year		NIL	NIL	NIL	NIL
	Date wise Increase / Decrease in Promoters Share holding during the year	-	NIL	NIL	NIL	NIL
	At the end of the year		NIL	NIL	NIL	NIL

6.	<b>Mr. Nimish H. Bavishi</b>					
	At the beginning of the year		<b>130</b>	<b>0.00</b>	<b>130</b>	<b>0.00</b>
	Date wise Increase / Decrease in Promoters Share holding during the year	No change During the year				
	At the end of the year		<b>130</b>	<b>0.00</b>	<b>130</b>	<b>0.00</b>
5.	<b>Mr. Bhavika D. lalwani</b>					
	At the beginning of the year		<b>NIL</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>
	Date wise Increase / Decrease in Promoters Share holding during the year		<b>NIL</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>
	At the end of the year		<b>NIL</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>

**V. INDEBTEDNESS:-**

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

	<b>Secured Loans excluding deposits</b>	<b>Unsecured Loans</b>	<b>Deposits</b>	<b>Total Indebtedness</b>
<b>Indebtedness at the beginning of the financial year 2018-19</b>				
i) Principal Amount	55,203,032	-		55,203,032
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	55,203,032	-		55,203,032
<b>Change in Indebtedness during the financial year</b>				
• Addition	-	-	-	-
• Reduction	31,03,252	-	-	31,03,252
<b>Net Change</b>				
<b>Indebtedness at the end of the financial year 2018-19</b>				
i) Principal Amount	52,099,780	-		52,099,780
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	52,099,780	-	-	52,099,780

## VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

### A. *Remuneration to Managing Director, Whole-Time Directors and/or Manager:-*

SN.	Particulars of Remuneration	Name of MD/WTM/ Manager		Total Amount
		Pratik R. Kabra	Govindlal M. Dudani (upto Aug. 2018)	
		Managing Director	Executive Director	
1	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	NIL	Rs.152000	Rs. 1,52,000
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-	-	-
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
4	Commission - as % of profit - others, specify...	-	-	-
5	Others, please specify	-	-	-
	Total (A)	NIL	Rs. 152000	Rs. 1,52,000

### B. *Remuneration to other Directors:*

SN.	Particulars of Remuneration	Name of Directors				Total Amount
		Bhupendrasingh Rajput	Tagaram L Chowdhary	Kanchan Gopal Kabra	Govindlal M. Dudani(w.e.f.13/08/-2018)	
1	Independent Directors	√	√	√	-	
	Fee for attending board committee meetings	-	-	-	-	-
	Commission	-	-	-	-	-
	Others, please specify	-	-	-	-	-
	Total (1)	-	-	-	-	-
2	Other Executive/Non-Executive Directors	-	-	-	√	
	Fee for attending board committee meetings	-	-	-	-	-
	Commission	-	-	-	-	-
	Others, please specify	-	-	-	-	-
	Total (2)	-	-	-	-	-
	Total (B)=(1+2)	-	-	-	-	-

	Total Managerial Remuneration	-	-	-	-	-
	<b>Overall Ceiling as per the Act</b>	<b>Rs.100000</b>	<b>Rs.100000</b>	<b>Rs.100000</b>	<b>Rs.100000</b>	<b>Rs.100000</b>

***C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD:***

SN	Particulars of Remuneration	Key Managerial Personnel		
		Bhavika Lalwani (CS)	Nimish H. Bavishi (CFO)	TOTAL
1	Gross salary	1,80,000	2,72,400	4,52,400
	(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-tax Act, 1961	-		-
2	Stock Option	-		-
3	Sweat Equity	-		-
4	Commission	-		-
	- as % of profit	-		-
	others, specify...	-		-
5	Others, please specify	-		-
	Total	Rs. 1,80,000	Rs. 2,72,400	Rs. 4,52,400

**VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES: NONE**

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

Place: Ahmedabad  
Date: 12<sup>th</sup> August, 2019

For and on behalf of the Board of Directors

Sd/-  
Pratik R. Kabra  
Chairman& Managing Director  
(DIN: 00006358)

**SECRETARIAL AUDIT REPORT**

**Form No. MR-3**

For the financial year ended on 31<sup>st</sup> March, 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,  
**SHREE METALLOYS LIMITED,**  
103, Sun Square, Nr. Klassic Gold Hotel, OFF.  
C.G.Road, Navrangpura,  
Ahmedabad-380009, Gujarat.

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **SHREE METALLOYS LIMITED** (CIN: L67120GJ1994PLC023471) (hereinafter called "the company"). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company'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 **31<sup>st</sup> March, 2019** ('Audit Period') complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31<sup>st</sup> 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 the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowing. (***not applicable to the company during the audit period***)
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;



- (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015.
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 ***(not applicable to the company during the audit period)***.
  - (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 ***(not applicable to the company during the audit period)*** ;
  - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 ***(not applicable to the company 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 to the company during the audit period)***;
  - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 ***(not applicable to the company during the audit period)***;
- (vi) I have relied on the representations made by the Company and its officers for systems and mechanism formed by the Company for compliances of other specific applicable Acts, Laws and Regulations to the Company as mentioned hereunder;
- a) Local taxes as applicable in the State of Gujarat.

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. Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above and subject to the following observations;

- a) As per the regulations of 31 (2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, hundred percent of shareholding of promoter(s) and promoter group should be in Dematerialized form, however the process of dematerialization of hundred percent of shareholding of promoter(s) and promoter group has not been completed.***
- b) Non Compliance of regulation 6 (1) of SEBI (Listing Obligation Disclosure Requirements) Regulation, 2015 which stipulates that a listed entity shall appoint a Qualified Company Secretary as Compliance officer of the Company, however the Company has not appointed the same for the period 1<sup>st</sup> April, 2018 to 27<sup>th</sup> June, 2018***
- c) Non-compliance of regulations 30 under Securities And Exchange Board Of India (Listing Obligations And Disclosure Requirements) Regulations, 2015 read with Schedule III***

***regarding filing of Outcome of Board Meeting within 30 minutes of the closure of the meeting to the stock exchange for the board meeting held on 27.06.2018***

- d) As per Section 167 of the Companies Act, 2013 the office of a director shall become vacant in case he incurs any of the disqualifications specified in section 164 of the Companies Act, 2013 and accordingly the office of a director of the company i.e. Mr Pankhil Desai (DIN: 02908540) shall stand vacate as he is disqualified under section 164(2) of the Companies Act, 2013.***
- e) Non Compliance of Section 177(2) of the Companies Act, 2013 which stipulates that the Audit Committee shall consist of minimum three directors with Independent Director forming the majority, however the company has not complied the same from the period of 13<sup>th</sup> August,2018 Upto 14<sup>th</sup> November, 2018 as during that period the audit committee consist of Mr Pratik Kabra(Executive director) and Mrs. Kanchan Kabra (Independent Director).***
- f) Non Compliance of Section 178(1) of the Companies Act, 2013 which stipulates that the Nomination and Remuneration Committee shall consist of three or more non-executive directors out of which not less than one-half shall be independent directors, however the company has not complied the same for the period Upto 14<sup>th</sup> November, 2018 as one of its member Mr. Pankhil Desai (DIN: 02908540) (Independent Director) is disqualified u/s 164 of the Companies Act, 2013.***
- g) As per Section 168 (1) of the Companies Act, 2013 read with rule 15 of the Companies (Appointment and Qualification of Directors) Rules, 2014 the Company has not filled e-form DIR-12 relating to the appiontment/resignation of Director within the stipulated time. The company has made default in filing form DIR-12 of following person;***
  - 1. Mr. Pankhil Desai (DIN: 02908540)***
  - 2. Mr. Tagaram Chowdhary (DIN: 00483173)***
- h) As per Regulation 30 of SEBI (Listing Obligation Disclosure Requirements) Regulation, 2015 read with Schedule III of the said regulation the Company has not filed disclosure to stock exchange regarding change in directors within 30 minutes.***

**I further report that:**

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors.

Adequate notice is given to all the 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.

Board takes decision by majority of directors while the dissenting directors' views are captured and recorded as part of the minutes.

**I further report that:**

There are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable Laws, Rules, Regulations and guidelines.

**I further report that:**

During the audit period, there were no instances of:

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

For, **Nikhil Suchak & Associates**  
**Company Secretaries**

**Place :- Ahmedabad**  
**Date:-12<sup>th</sup> August, 2019**

**Nikhil Suchak**  
**Proprietor**  
**ACS :-40614**  
**COP No. :- 18938**

**Note: This report is to be read with my letter of even date which is annexed as Annexure -1 herewith and forms and integral part of this report.**

### **Annexure - 1 to Secretarial Audit Report**

To,  
The Members,  
**SHREE METALLOYS LIMITED,**  
103, Sun Square, Nr. Klassic Gold Hotel, OFF.  
C.G.Road, Navrangpura,  
Ahmedabad-380009, Gujarat.

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

1. Maintenance of secretarial records is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices, I followed provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, I have obtained the Management representations about the compliance of Laws, Rules and Regulations and happening of events etc.
5. The compliance of the provisions of corporate and other applicable Laws, Rules, Regulations, Standards is the responsibility of management. My examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For, **Nikhil Suchak & Associates**  
**Company Secretaries**

**Place :- Ahmedabad**  
**Date:-12<sup>th</sup> August, 2019**

**Nikhil Suchak**  
**Proprietor**  
**ACS:-40614**  
**COP No. :- 18938**

## **INDEPENDENT AUDITOR'S REPORT**

### **TO THE MEMBERS OF SHREE METALLOYS LIMITED**

#### **Report on the Audit of the Financial Statements**

##### **Opinion**

We have audited the accompanying financial statements of Shree Metalloys Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2019, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the financial statements").

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 Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019, the profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

##### **Basis for Opinion**

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

##### **Emphasis of Matter**

We draw attention to the Note No. 32 to the Financial Statements regarding not having any transaction in Current Account of Bhuj Mercantile Co-operative Bank Limited due to account becoming dormant because of non-updating of KYC documents. Further, no bank statement has been provided during the year for the same account.

##### **Key Audit Matters**

With regard to Standard on Auditing 701, Communicating Key Audit Matters in the Independent Auditor's Report, depending on facts and circumstances of the entity and the audit, except for the matter specified in Emphasis of matter paragraph there is no key audit matter to communicate in the audit report.

##### **Information Other than the Financial Statements and Auditor's Report Thereon**

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, 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 statements, 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 are required to report that fact. We have nothing to report in this regard.

## **Management's Responsibility for the Financial Statements**

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Ind AS financial statements that give a true and fair view of the financial position, financial performance including the other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act, read with relevant rules issued thereunder. 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 Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

The Board of Directors are 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 of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of 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 financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- 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 auditor's 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.

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

We 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 Section 143(3) of the Act, based on our audit we report that:

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account.
- d) In our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e) On the basis of the written representations received from the directors as on March 31, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2019 from being appointed as a director in terms of Section 164 (2) of the Act.
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
- g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
  - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements.
  - ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.

- iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For **Talati & Talati LLP**  
Chartered Accountants  
(Firm Regn No: 110758W/W100377)

**Place of Signature: Ahmedabad**  
**Date: 10<sup>th</sup> May, 2019**

**Anand Sharma**  
**(Partner)**  
**Mem No: 129033**



## **ANNEXURE A TO INDEPENDENT AUDITOR'S REPORT**

With reference to the "Annexure A" referred to in the Independent Auditor's Report to the members of the Company on the Ind AS Financial statements for the year ended 31<sup>st</sup> March, 2019, we report the following:

(Referred to in paragraph 1 under the heading of "Report on Other Legal and Regulatory Requirements" of our report of even date.)

- (i) In respect of its fixed assets:
  - (a) The Company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets;
  - (b) As explained to us, the fixed assets have been physically verified by the management during the year and there is a regular programme of verification which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
  - (c) Based on our audit procedures and on the basis of information and explanations given to us by the management, the title deeds of immovable properties are held in the name of the Company.
- (ii) The inventories have been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable. As explained to us, there were no material discrepancies noticed on physical verification of inventories as compared to the book records.
- (iii) During the year the Company has not given any loans secured or unsecured to the companies, firms, LLP or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Hence Clause (iii) (a), (b) and (c) are not applicable to the Company.
- (iv) Based on our audit procedures and on the basis of information and explanations given to us by the management, provisions of section 185 and 186 of the Companies Act, 2013 in respect of loans, investments, guarantees, and security have been complied with.
- (v) In our opinion and according to the information and explanations given to us, the Company has not accepted any deposit and hence the provisions of Section 73 to 76 or any other relevant provisions of the Companies Act and the Companies (Acceptance of Deposits) Rules, 2014, with regard to the deposits accepted are not applicable to the Company. Therefore, the provisions of clause (v) of paragraph 3 of the Order are not applicable to the company.
- (vi) The Company is not required to maintain cost records under sub-section (1) of section 148 of Companies Act, 2013. Therefore, the provisions of clause (vi) of paragraph 3 of the Order are not applicable to the Company.

(vii) In respect of statutory dues:

(a) According to the records of the Company, the Company is generally regular in depositing with appropriate authorities undisputed statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, Duty of Customs, Duty of Excise, Value Added Tax, Cess and any other statutory dues applicable to it. According to the information and explanations given to us, no undisputed amounts payable in respect of the aforesaid statutory dues were in arrears as at 31<sup>st</sup> March, 2018 for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us, there are no dues of Income-tax, Sales tax, Service tax, Goods and Service tax, Duty of customs, Duty of excise, Value added tax and Cess as at 31<sup>st</sup> March, 2018, which have not been deposited with the appropriate authorities on account of any dispute.

(viii) Based on our audit procedures and on the basis of information and explanations given to us by the management, we are of the opinion that the company has not defaulted in repayment of dues to the financial institution, banks, Government or debenture holders as at the balance sheet date.

(ix) In our opinion and according to the information and explanation given to us, neither any moneys raised by Initial public offer/ further public offer (including debt instruments) nor any term loans has been availed by the company, hence purpose of question of proper utilization does not arise.

(x) Based on the audit procedures performed and representation obtained from management we report that, no case of material fraud by the Company or on the Company by its officer or employee has been noticed or reported for the year under audit.

(xi) Based on our audit procedures and on the basis of information and explanations given to us by the management, managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act.

(xii) The Company is not a Nidhi Company, therefore; the provisions of clause (xii) of paragraph 3 of the Order are not applicable to the Company.

(xiii) Based on our audit procedures and on the basis of information and explanations given to us by the management, all transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the Financial Statements, as required by the applicable accounting standards;

(xiv) Based on our audit procedures and on the basis of information and explanations given to us by the management, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Therefore, the provisions of clause (xiv) of paragraph 3 of the Order are not applicable to the company.

- (xv) Based on our audit procedures and on the basis of information and explanations given to us by the management, the company has not entered into any non-cash transactions with directors or persons connected with him. Therefore the provisions of section 192 of Companies act, 2013 are not applicable to the company
- (xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For **Talati & Talati LLP**  
Chartered Accountants  
(Firm Regn No: 110758W/W100377)

Place of Signature: Ahmedabad  
Date: 10<sup>th</sup> May, 2019

**Anand Sharma**  
(Partner)  
Mem No: 129033

## **Annexure B to Independent Auditors' Report**

(Referred to in paragraph 2(f)] under the heading of "Report on Other Legal and Regulatory Requirements" of our report of even date.)

### **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 Shree Metalloys Limited ("the Company") as of March 31, 2019 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

#### **Management's Responsibility for Internal Financial Controls**

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

#### **Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing 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 unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

## **Inherent Limitations of Internal Financial Controls Over Financial Reporting**

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

## **Opinion**

In our opinion, to the best of our information and according to the explanations 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 March 31, 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 Talati & Talati LLP**  
Chartered Accountant  
(Firm Regn No: 110758W/W100377)

Place of Signature: Ahmedabad  
Date: 10<sup>th</sup> May, 2019

**Anand Sharma**  
(Partner)  
Mem No: 129033

# SHREE METALLOYS LIMITED

CIN : L67120GJ1994PLC023471

## Balance Sheet as at 31st March, 2019

Particulars	Note No.	As at 31st March, 2019 In Rs.	As at 31st March, 2018 In Rs.
<b>ASSETS</b>			
<b>(1) Non- current assets</b>			
(a) Property, Plant and Equipment	4	17,688,515	18,274,920
(b) Financial assets			
i) Investment	5	264,000	500,000
(c) Other non-current assets	6	793,638	2,420,488
<b>(2) Current Asset</b>			
(a) Inventories	7	7,455,234	9,648,019
(b) Financial assets			
(i) Trade receivables	8	82,540,856	45,129,367
(ii) Cash and cash equivalents	9	8,462,727	681,258
(ii) Bank Balances other than (ii) above	10	2,522,500	-
(c) Other current assets	11	32,112,104	57,496,296
<b>Total Assets</b>		<b>151,839,574</b>	<b>134,150,348</b>
<b>EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
(a) Equity share capital	12	52,563,000	52,563,000
(b) Other equity	13	16,352,102	15,027,684
<b>LIABILITIES</b>			
<b>(1) Non Current Liabilities</b>			
(a) Deferred Tax Liability(Net)	14	956,101	282,540
(b) Financial Liabilities			
(i) Borrowings	15	1,281,415	-
<b>(2) Current liabilities</b>			
(a) Financial liabilities			
(i) Borrowings	15	50,818,365	55,203,032
(ii) Trade payables	16	20,280,266	3,015,380
(b) Other current liabilities	17	9,400,695	7,866,431
(c) Provisions	18	187,630	192,281
<b>Total Equity and Liabilities</b>		<b>151,839,574</b>	<b>134,150,348</b>

The accompanying Notes 1 to 33 are integral part of these Financial Statements.

As per our report of even date attached.

For and on behalf of the Board of Directors,

For TALATI & TALATI LLP  
Chartered Accountants  
Firm Regn.No.110758W/W100377

Pratik Kabra  
Managing Director  
(DIN - 00006358)

Nimish Bavishi  
Chief Financial Officer

Anand Sharma  
Partner  
Membership No.129033  
Place: Ahmedabad  
Date: 10th May,2019

Govindlal Mangilal Dudani  
Director  
(DIN: 07775287)  
Place: Ahmedabad  
Date: 10th May,2019

Bhavika Lalwani  
Company Secretary  
A54235

# SHREE METALLOYS LIMITED

CIN : L67120GJ1994PLC023471

## Statement of Profit and Loss for the period ended 31st March, 2019

Sr. No.	Particulars	NoteNo.	Year Ended 31st March, 2019 In Rs.	Year Ended 31st March, 2018 In Rs.
I	Revenue from Operations	19	422,864,576	453,032,212
II	Other Income	20	1,863,064	3,317,042
III	Total Income (I+II)		<b>424,727,640</b>	<b>456,349,254</b>
IV	<b>Expenses</b>			
	Purchases of Stock-in-Trade		403,755,945	403,887,395
	Changes in Inventories of Finished goods, Stock-in-Trade and Work-in-progress	21	2,192,785	33,593,356
	Excise duty on Sales		-	-
	Employee Benefits Expense	22	2,153,031	1,732,390
	Finance Costs	23	6,921,534	6,897,417
	Depreciation and Amortization Expense	4	2,310,406	2,228,462
	Other Expenses	24	4,751,355	5,908,867
	Total Expenses (IV)		422,085,056	454,247,887
V	Profit before tax ( III- IV )		<b>2,642,584</b>	<b>2,101,367</b>
VI	Tax expense :			
	(1) Current Tax	25	724,729	517,200
	(2) Deferred Tax		420,803	(246,973)
VII	Profit for the period ( V -VI )		<b>1,497,052</b>	<b>1,831,140</b>
VIII	Other Comprehensive Income			
	A (i) Items that will not be reclassified to profit or loss		(236,000)	145,520
	(ii) Income tax relating to items that will not be reclassified to profit or loss		63,366	(37,471)
	B (i) Items that will be reclassified to profit or loss			
	(ii) Income tax relating to items that will be reclassified to profit or loss			
	Sub-total (A+B)		(172,634)	108,049
IX	Total Comprehensive Income for the period ( VII + VIII ) (Comprising Profit and Other Comprehensive Income for the period)		<b>1,324,418</b>	<b>1,939,189</b>
X	Earnings per equity share (Face Value of ` 10/- each)			
	Basic & Diluted	26	0.28	0.35

The accompanying Notes 1 to 33 are integral part of these Financial Statements.

As per our report of even date attached.

For and on behalf of the Board of Directors,

For TALATI & TALATI LLP  
Chartered Accountants  
Firm Regn.No.110758W/W100377

Pratik Kabra  
Managing Director  
(DIN - 00006358)

Nimish Bavishi  
Chief Financial Officer

Anand Sharma  
Partner  
Membership No.129033  
Place: Ahmedabad  
Date: 10th May, 2019

Govindlal Mangilal Dudani  
Director  
(DIN: 07775287)  
Place: Ahmedabad  
Date: 10th May, 2019

Bhavika Lalwani  
Company Secretary  
A54235

# SHREE METALLOYS LIMITED

CIN : L67120GJ1994PLC023471

## Cash Flow Statement for the year ended 31st March,2019

	Particulars	For the year ended 31st March, 2019 In Rs.	For the year ended 31st March, 2018 In Rs.
<b>A.</b>	<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
	<b>Net Profit Before Tax</b>	<b>2,642,584</b>	<b>2,101,367</b>
	Adjustment for		
	<b>Add :</b>		
	Interest and Finance Charges	180,000	195,000
	Depreciation	2,310,406	2,228,462
	<b>Less:</b>		
	Profit on sale of Property, Plant and Equipment	(1,281,852)	
		<b>1,208,554</b>	<b>2,423,462</b>
	<b>Operating Profit Before Working Capital Changes</b>	<b>3,851,138</b>	<b>4,524,829</b>
	<b>(Increase) / Decrease in Current Assets</b>		
	Trade and Other Receivables	(39,933,990)	20,923,554
	Inventories	2,192,786	33,593,356
	Loans and advances	25,384,192	(39,977,366)
	<b>Increase / (Decrease) in Current Liabilities</b>		
	Trade and Other Payables	18,385,895	(9,627,231)
	<b>Cash Generated From Operations</b>		
	Direct Taxes Paid	-	(200,000)
	<b>NET CASH INFLOW / (OUTFLOW) FROM OPERATING ACTIVITIES (A)</b>	<b>9,880,021</b>	<b>9,237,143</b>
<b>B.</b>	<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
	Purchase of Property, Plant and Equipment	(2,981,819)	(4,250)
	Proceeds from Property, Plant and Equipment	2,539,670	
	Increase in deposits	1,626,850	(405,100)
	<b>NET CASH INFLOW / (OUTFLOW ) FROM INVESTING ACTIVITIES (B)</b>	<b>1,184,701</b>	<b>(409,350)</b>
<b>C.</b>	<b>CASH FLOW USED IN FINANCING ACTIVITIES</b>		
	Proceeds from Long Term Borrowings	1,281,415	-
	Proceeds from Short Term Borrowings	507,855,034	637,622,462
	Repayment of Short Term Borrowings	(512,239,702)	(648,789,733)
	Interest and Finance Charges paid	(180,000)	(195,000)
	<b>NET CASH INFLOW / (OUTFLOW ) FROM FINANCING ACTIVITIES (C)</b>	<b>(3,283,253)</b>	<b>(11,362,271)</b>
	<b>Net Increase / (Decrease) in Cash and Cash Equivalents (A+B+C)</b>	<b>7,781,469</b>	<b>(2,534,478)</b>
	<b>Add : Cash and Cash Equivalents balance as at 1st April</b>	<b>681,258</b>	<b>3,215,737</b>
	<b>Cash and Cash Equivalents as at 31st March</b>	<b>8,462,727</b>	<b>681,258</b>

The accompanying Notes 1 to 33 are integral part of these Financial Statements.

As per our report of even date attached.

For and on behalf of the Board of Directors,

For TALATI & TALATI LLP  
Chartered Accountants  
Firm Regn.No.110758W/W100377

Pratik Kabra  
Managing Director  
(DIN - 00006358)

Nimish Bavishi  
Chief Financial Officer

Anand Sharma  
Partner  
Membership No.129033  
Place: Ahmedabad  
Date: 10th May, 2019

Govindlal Mangilal Dudani  
Director  
(DIN- 07775287)  
Place: Ahmedabad  
Date: 10th May, 2019

Bhavika Lalwani  
Company Secretary  
A54235



# Notes to the Financial Statements for the year ended 31st March, 2019

## Company Overview & Significant Accounting Policies

### 1. Reporting Entity

Shree Metalloys Limited (the 'Company') is a company domiciled in India, with its registered office situated at 103, Sun Square, Nr. Klassic Gold hotel, Off. C.G. Road, Ahmedabad-380009, Gujarat, India. The Company has been incorporated under the provisions of Companies Act applicable in India and its equity shares are listed on the Bombay Stock Exchange (BSE) in India. The Company is primarily involved in Trading of Metals.

### 2. Basis of preparation

#### (a) Statement of compliance with Ind AS

These financial statements are prepared in accordance with Indian Accounting Standards (Ind AS), including rules notified under section 133 of Companies Act, 2013 (the 'Act') and other relevant provisions of the Act.

Details of Significant accounting policies are included in the Note 3.

#### (b) Functional and presentation currency

These financial statements are presented in Indian Rupees (INR), which is also the functional currency.

#### (c) Basis of Measurement

The financial statements have been prepared on the historical cost basis except for following item:

Items	Measurement basis
Investments in Equity Shares	Fair Value

#### (d) Use of Estimates and Judgements

In preparing these financial statements, management has made judgements, estimates, and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, incomes and expenses. Actual results may differ from these estimates.

#### Estimates:

Estimates and underlying assumptions are reviewed on an ongoing basis. They are based on historical experience and other factors including expectations of future events that may have a financial impact on the Company and that are believed to be reasonable under the circumstances. Revisions to the accounting estimates are recognised prospectively.

#### Judgements:

There are no significant judgements made in applying accounting policies that have the most significant effects on the amounts recognized in the financial statements.

#### Assumptions and Estimation uncertainties:

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment within the next financial year, if any are included in the respective note.

#### (e) Measurement of fair value:

The Company has established control framework with respect to the measurement of fair values. The Company regularly reviews significant valuation adjustments. Significant valuation issues are reported to the Company's Board of Directors.

Fair values are categorized into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

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

Level 2 – inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e as prices) or indirectly (i.e derived from prices).

Level 3 – inputs for the asset or liability that are not based on observable market data (unobservable inputs).

When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

Further information about the assumptions made in measuring fair values is included in the respective note.

### **3. Significant Accounting Policies**

#### **(a) Foreign Currency**

Transactions in foreign currencies are translated into the functional currency of the Company at exchange rates at the date of transactions or an average rate if the average rate approximates the actual rate at the date of transaction.

#### **(b) Financial instruments**

##### **1. Financial Assets:**

##### **i) Classification**

The Company classifies its financial assets in the following measurement categories:

- Those measured at ‘Amortized cost’ and
- Those to be measured subsequently at either ‘Fair value through other comprehensive income’ (FVTOCI) or ‘Fair value through profit or loss’ (FVTPL).

The classification depends on the Company’s business model for managing the financial assets and the contractual terms of the cash flows.

- A financial asset is measured at amortized cost if it meets both following conditions and is not designated as at FVTPL:
  - the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
  - the contractual terms of a financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.
- A debt investment is measured at FVOCI if it meets both following conditions and is not designated as at FVTPL:
  - the asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
  - the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.
- Financial assets are not reclassified after their initial recognition except if and in the period the Company changes its business model for managing financial assets.

##### **ii) Measurement**

At initial recognition, the company measures a financial asset when it becomes a party to the contractual provisions of the instruments and measures at its fair value except trade receivables which are initially measured at transaction price. Transaction costs are incremental costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss. A regular way purchase and sale of financial assets are accounted for at trade date.

iii) Subsequent measurement and gains and losses

Financial assets at FVTPL	These assets are subsequently measured at fair value. Net gains including any interest or dividend income, are recognized in profit or loss.
Financial assets at amortized cost	These assets are subsequently measured at amortized cost using the effective interest method. The amortized cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognized in profit or loss. Any gain or loss on de-recognition is recognized in profit or loss.

iv) Derecognition

The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all the risks and rewards of ownership of the financial asset is transferred or in which the Company neither transfers nor retains substantially all the risks and rewards of ownership and does not retain control of the financial asset.

If the Company enters into transactions whereby it transfers assets recognized on its balance sheet, but retains either all or substantially all the risks and rewards of the transferred assets, the transferred assets are not derecognized.

## 2. Financial liabilities:

i) Classification, subsequent measurement and gains and losses

Financial liabilities are classified as measured at amortized cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held- for- trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognized in profit or loss. Other financial liabilities are subsequently measured at amortized cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognized in profit or loss. Any gain or loss on derecognition is also recognized in profit or loss.

ii) Derecognition

The Company derecognizes a financial liability when its contractual obligations are discharged or cancelled or expired.

The Company also derecognizes a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on the modified terms is recognized at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognized in the profit or loss.

## 3. Offsetting

Financial assets and financial liabilities are off set and the net amount presented in the balance sheet when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realize the asset and settle the liability simultaneously.

## (c) Property, Plant and Equipment

### 1. Recognition and Measurement

Items of property, plant and equipment are measured at cost, which includes capitalized borrowing costs, less accumulated depreciation, and accumulated impairment losses, if any.

Cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any

directly attributable cost of bringing the item to its working condition for its intended use and estimated costs of dismantling and removing the item and restoring the site on which it is located.

The cost of a self-constructed item of property, plant and equipment comprises the cost of materials and direct labour, any other costs directly attributable to bringing the item to working condition for its intended use, and estimated costs of dismantling and removing the item and restoring the site on which it is located.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment. Useful lives have been determined in accordance with Schedule II to the companies act, 2013. The residual values are not more than 5% of the original cost of the asset.

Any gain or loss on disposal of an item of property, plant and equipment is recognized in profit or loss.

## **2. Subsequent expenditure**

Subsequent expenditure is capitalized only if it is probable that the future economic benefits associated with the expenditure will flow to the Company.

## **3. Depreciation**

Depreciation is calculated on cost of items of property, plant and equipment less their estimated residual values over their estimated useful lives using the straight-line method, and is generally recognized in the statement of profit and loss.

Depreciation method, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate. Based on technical evaluation and consequent advice, the management believes that its estimates of useful lives as given above best represent the period over which management expects to use these assets.

Depreciation on additions / disposals is provided on a pro-rata basis i.e. from /upto the date on which asset is ready for use / disposed off.

## **4. Derecognition**

An item of Property, Plant and Equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of assets.

### **(d) Inventories**

Inventories are measured at the lower of cost and net realizable value. The cost of inventories includes expenditure incurred in acquiring the inventories, production or conversion costs and other costs incurred in bringing them to their present location and condition. In the case of manufactured inventories and work-in-progress, cost includes an appropriate share of fixed production overheads based on normal operating capacity.

Net realizable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses.

The net realizable value of work-in-progress is determined with reference to the selling prices of related finished products.

Raw materials, components and other supplies held for use in the production of finished products are not written down below cost except in cases where material prices have declined and it is estimated that the cost of the finished products will exceed their net realizable value.

Related items or items of the similar nature are grouped for comparison of cost and net realizable value.

## **(e) Impairment of assets**

### **1. Impairment of financial assets**

The Company recognizes loss allowances for financial assets measured at amortized cost using expected credit loss model.

At each reporting date, the Company assesses whether financial assets carried at amortized cost is credit- impaired. A financial asset is 'credit- impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset, have occurred.

For trade receivables, the Company always measures the loss allowance at an amount equal to lifetime expected credit losses.

For all other financial assets, the Company measures loss allowances at an amount equal to twelve months expected credit losses unless there has been a significant increase in credit risk from initial recognition in which those are measured at lifetime expected credit risk.

Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of a financial asset. Twelve months expected credit losses are the portion of lifetime expected credit losses that represent the expected credit losses that result from default events on a financial instrument that are possible within the twelve months after the reporting date (or a shorter period if the expected life of the instrument is less than twelve months)

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating expected credit losses, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and informed credit assessment and including forward-looking information.

The Company considers a financial asset to be in default when the borrower is unlikely to pay its credit obligations to the Company in full.

#### *Measurement of expected credit losses*

Expected credit losses are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the Company in accordance with the contract and the cash flows that the Company expects to receive).

#### *Presentation of allowance for expected credit losses in the balance sheet*

Loss allowances for financial assets measured at amortized cost are deducted from the gross carrying amount of the assets.

#### *Write-off*

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Company determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write- off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Company's procedures for recovery of amounts due.

## **2. Impairment of non-financial assets**

The Company's non-financial assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

An impairment loss is recognized if the carrying amount of an asset exceeds its estimated recoverable amount. Impairment losses are recognized in the statement of profit and loss.

In respect of assets for which impairment loss has been recognized in prior periods, the Company reviews at each reporting date whether there is any indication that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. Such a reversal is made only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized.

### **(f) Employee benefits**

#### **1. Short term employee benefits**

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided.

### **(g) Provisions (other than employee benefits), Contingent Liabilities and Contingent Assets**

A provision is recognized when the Company has a present legal obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which reliable estimate can be made. Provisions are determined based on best estimate required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the Current best estimates.

Contingent liabilities are not recognized but are disclosed in the notes to the Financial Statements.

A contingent asset is neither recognized nor disclosed if inflow of economic benefit is probable.

### **(h) Revenue Recognition**

#### **1. Sale of goods:**

Revenue from the sale of goods in the course of ordinary activities is measured at the fair value of the consideration received or receivable, net of returns, trade discounts and volume rebates. This inter alia involves discounting of the consideration due to the present value if payment extends beyond normal credit terms. Revenue is recognized when control of promised products are transferred to the customers in an amount that reflects the consideration expected to be received in exchange for those products.

The timing of transfers of risks and rewards varies depending on the individual terms of sale. For sale of Metal, usually such transfer occurs when the product is received at the customer's warehouse or factory.

### **(i) Recognition of dividend income, interest income**

Dividend on Financial Instruments is recognized as and when realized. Interest is recognized on accrual basis.

## **(j) Income tax**

Income tax comprises current and deferred tax. It is recognized in profit or loss except to the extent that it relates to a business combination or to an item recognized directly in equity or in other comprehensive income.

### **1. Current tax**

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates (and tax laws) enacted or substantively enacted by the reporting date.

Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set off the recognized amounts, and it is intended to realize the asset and settle the liability on a net basis or simultaneously.

### **2. Deferred tax**

Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes. Deferred tax is also recognized in respect of carried forward tax losses and tax credits.

Deferred tax assets are recognized to the extent that it is probable that future taxable profits will be available against which they can be used. Therefore, in case of a history of recent losses, the Company recognizes a deferred tax asset only to the extent that it has sufficient taxable temporary differences or there is convincing other evidence that sufficient taxable profit will be available against which such deferred tax asset can be realized. Deferred tax assets - unrecognized or recognized, are reviewed at each reporting date and are recognized / reduced to the extent that it is probable/ no longer probable respectively that the related tax benefit will be realized.

Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realized or the liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date.

The measurement of deferred tax reflects the tax consequences that would follow from the way the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets or liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different taxable entities, but they intend to settle current tax liabilities and assets on net basis or their tax assets and liabilities will be realized simultaneously.

## **(k) Cash and Cash Equivalents**

Cash and Cash equivalents include cash and cheques in hand, bank balances, demand deposits with banks and other short term highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value where original maturity is three months or less.

## **(l) Borrowing cost**

Borrowing cost are interest and other costs incurred in connection with the borrowing of funds. Borrowing costs directly attributable to acquisition or construction of asset which necessarily take a substantial period of time to get ready for their intended use are capitalized as part of cost of asset. Other borrowing costs are recognized as an expense in the period in which they are incurred.

**(m) Earnings per share**

Basic earnings per share is calculated by dividing the net profit after tax for the year attributable to Equity Shareholders of the Company by the weighted average number of Equity Shares outstanding during the year.

Diluted earnings per Share is calculated by dividing net profit attributable to equity Shareholders (after adjustment for diluted earnings) by average number of weighted equity shares outstanding during the year plus potential equity shares.

**(n) Cash Flow Statement**

Cash flows are reported using the indirect method whereby the profit before tax is adjusted for the effect of the transactions of a non-cash nature, any deferrals or accruals of past and future operating cash receipts or payments and items of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the company are segregated.

**(o) Recent Indian Accounting Standards(Ind AS)**

Ministry of Corporate Affairs (“MCA”) has notified the Companies (Indian Accounting Standards) Amendment Rules, 2018 has notified the following new and amendments to Ind ASs which the Group has not applied as they are effective for annual periods beginning on or after April 1, 2018:

- Ind AS 115- Revenue from Contracts with Customers
- Ind AS 21- The effect of changes in Foreign Exchange rates
- Ind AS 12 -Income taxes
- Ind AS 40 - Investment property
- Ind AS 112-Disclosure of Interests in Other Entities

Application of above standards are not expected to have any significant impact on the Company's Financial Statements



# SHREE METALLOYS LIMITED

CIN : L67120GJ1994PLC023471

## Statement of changes in Equity for the year ended 31st March, 2019

### A. EQUITY SHARE CAPITAL

In Rs.

Particulars	Amount
Balance as at 1st April, 2017	52,563,000
Changes during the year	-
Balance as at 31st March, 2018	52,563,000
Changes during the year	-
Balance as at 31st March, 2019	52,563,000

### B. OTHER EQUITY

In Rs.

Particulars	Reserves and Surplus	Other Comprehensive Income	Total
	Retained Earnings	Fair value of Investments	
Balance as at 1st April, 2017	13,063,730	24,765	13,088,495
Profit for the year	1,831,140	-	1,831,140
Fair value of Investments	-	145,520	145,520
Deferred tax on Fair Value of Investments	-	(37,471)	(37,471)
Balance as at 31st March, 2018	14,894,870	132,814	15,027,685
Balance as at 1st April, 2018	14,894,870	132,814	15,027,685
Profit for the year	1,497,052	-	1,497,052
Fair value of Investments	-	(236,000)	(236,000)
Deferred tax on Fair Value of Investments	-	63,366	63,366
Balance as at 31st March, 2019	16,391,922	(39,820)	16,352,102

The accompanying Notes 1 to 35 are integral part of these Financial Statements.

As per our report of even date attached.

For TALATI & TALATI LLP  
Chartered Accountants  
Firm Regn.No.110758W/W100377

Anand Sharma  
Partner  
Membership No.129033  
Place: Ahmedabad  
Date: 10th May, 2019

For and on behalf of the Board of Directors,

Pratik Kabra  
Managing Director  
(DIN - 00006358)

Nimish Bavishi  
Chief Financial Officer

Govindlal Mangilal Dudani  
Director  
(DIN: 07775287)  
Place: Ahmedabad  
Date: 10th May, 2019

Bhavika Lalwani  
Company Secretary  
A54235

# Shree Metalloys Limited

CIN : L67120GJ1994PLC023471

## Note - 4 Property, Plant and Equipment

(Amount in Rs.)

Sr. No.	Particulars	Building	Plant and Equipments	Vehicles	Office Equipments	Computers	TOTAL
1	<b>Cost of Assets</b>						
	As at 1st April, 2017	2,733,831	22,973,625	1,437,156	194,979	302,426	27,642,017
	Addition		380,069	4,250	40,696		425,015
	Disposal / Adjustments						-
	As at 31st March, 2018	<b>2,733,831</b>	<b>23,353,694</b>	<b>1,441,406</b>	<b>235,675</b>	<b>302,426</b>	<b>28,067,032</b>
2	Addition		768,850	2,212,969			2,981,819
	Disposal / Adjustments	-	1,257,818	-	-	-	1,257,818
	As at 31st March 2019	<b>2,733,831</b>	<b>22,864,726</b>	<b>3,654,375</b>	<b>235,675</b>	<b>302,426</b>	<b>29,791,033</b>
	<b>Depreciation</b>						
	As at 1st April, 2017	287,858	5,582,252	1,280,021	120,997	292,522	7,563,650
3	Charge for the year	103,677	1,972,591	144,929	7,265		2,228,462
	Disposal / Adjustments						
	As at 31st March, 2018	<b>391,535</b>	<b>7,554,843</b>	<b>1,424,950</b>	<b>128,262</b>	<b>292,522</b>	<b>9,792,112</b>
	Charge for the period	103,677	1,951,411	240,611	14,707	-	2,310,406
	Disposal / Adjustments						
3	As at 31st March 2019	<b>495,212</b>	<b>9,506,254</b>	<b>1,665,561</b>	<b>142,969</b>	<b>292,522</b>	<b>12,102,518</b>
	<b>Net Block</b>						
	As at 1st April, 2017	<b>2,445,973</b>	<b>17,391,373</b>	<b>157,135</b>	<b>73,982</b>	<b>9,904</b>	<b>20,078,367</b>
	As at 31st March, 2018	<b>2,342,296</b>	<b>15,798,851</b>	<b>16,456</b>	<b>107,413</b>	<b>9,904</b>	<b>18,274,920</b>
	As at 31st March 2019	<b>2,238,619</b>	<b>13,358,472</b>	<b>1,988,814</b>	<b>92,706</b>	<b>9,904</b>	<b>17,688,515</b>

**Note - 5 Investment**

Sr. No.	Particulars	As at March, 2019 Rs.	31st In	As at March, 2018 Rs.	31st In
	<b>Non current Investments</b>				
A	<b>Investments in Equity Instruments (Valued at Fair Value through OCI)</b>				
1	<b>Fully paid Equity Shares: (Quoted)</b>				
a)	800 Equity Shares of Riddhi Siddhi Gluco Biols Ltd of Rs. 10 each (31st March, 2017 800 Equity Shares) (1st April, 2016 800 Equity Shares)	264,000		500,000	
2	<b>Fully paid Equity Shares: (Unquoted)</b>				
a)	8500 equity shares of Advance Bio Coal (India) Ltd. Of Rs. 10 each (31st March, 2017 8500 Equity Shares) (1st April, 2016 8500 Equity Shares)	-		-	
b)	35000 equity shares of Shreeji Phosphate Ltd (Formerly known as Satyam Cement Ltd of Rs. 10 each (31st March, 2017 35000 Equity Shares) (1st April, 2016 35000 Equity Shares)	-		-	
c)	26600 equity shares of Zora Pharma Ltd of Rs. 10 each (31st March, 2017 26600 Equity Shares) (1st April, 2016 26600 Equity Shares)	-		-	
d)	500 equity shares of The Nawanagar Co-operative Bank Ltd of Rs. 10 each (31st March, 2017 500 Equity Shares) (1st April, 2016 500 Equity Shares)	-		-	
	<b>Total</b>	<b>264,000</b>		<b>500,000</b>	
	Aggregate Cost of Quoted Investments		17,044		17,044
	Aggregate Market Value of Quoted Investments		264,000		500,000
	Aggregate Cost of Unquoted Investments		1,285,250		1,285,250

**Note - 6 Other Non-Current Assets**

Sr. No.	Particulars	As at March, 2019 Rs.	31st In	As at March, 2018 Rs.	31st In
1	<b>Capital Advances</b>		-		300,000
2	<b>Advances other than Capital Advances</b>				
	Security Deposits	793,638		2,120,488	
	<b>Total</b>	<b>793,638</b>		<b>2,420,488</b>	

**Note - 7 Inventories**

Sr. No.	Particulars	As at March, 2019 Rs.	31st In	As at March, 2018 Rs.	31st In
	<b>As taken, valued &amp; certified by the management</b>				
	<b>At lower of cost or net realisable value</b>				
	Stock in trade	7,455,234		9,648,019	
	<b>Total</b>	<b>7,455,234</b>		<b>9,648,019</b>	

Inventories are hypothecated to secure working capital facilities from Punjab National Bank, Ranjit Road Jamnagar Branch.

**Note - 8 Trade Receivables**

Sr. No.	Particulars	As at March, 2019 Rs.	31st In	As at March, 2018 Rs.	31st In
1	<b>Unsecured , Considered Good</b>				
(a)	Outstanding for more than six months	-		-	
(b)	Others	82,540,856		45,129,367	
	<b>Total</b>	<b>82,540,856</b>		<b>45,129,367</b>	

Trade receivable are hypothecated to secure working capital facilities from Punjab National Bank, Ranjit Road Jamnagar Branch.

**Note - 9 Cash & Cash Equivalents**

Sr. No.	Particulars	As at March, 2019 Rs.	31st In	As at March, 2018 Rs.	31st In
1	Cash on Hand	401,979		332,302	
2	Balances with Banks	8,060,748		348,956	
	<b>Total</b>	<b>8,462,727</b>		<b>681,258</b>	

**Note - 10 Other Bank Balances**

Sr. No.	Particulars	As at March, 2019 Rs.	31st In	As at March, 2018 Rs.	31st In
1	<b>Fixed Deposits with Banks</b>				
(a)	Less than 12 months*	2,522,500		-	
	<b>Total</b>	<b>2,522,500</b>		<b>-</b>	

\* Balance with bank held as a Margin money against the Trade payables

**Note - 11 Other Current Assets**

Sr. No.	Particulars	As at March, 2019 Rs.	31st In	As at March, 2018 Rs.	31st In
1	<b>Advances other than capital advances</b>				
	(a) Security Deposits				
	(b) Other Advances				
	(i) Balance with Government Authorities		1,805,500		1,871,683
	(ii) Advances to Suppliers		29,637,349		55,000,000
	(iii) Prepaid Expenses		68,304		36,637
2	<b>Others</b>				
	Interest Accrued on Fixed Deposits		31,630		-
	Interest Accrued Others		91,598		117,253
	Other Advance		477,723		470,723
	<b>Total</b>		<b>32,112,104</b>		<b>57,496,296</b>

**Note - 12 Equity Share Capital**

Sr. No.	Particulars	As at March, 2019 Rs.	31st In	As at March, 2018 Rs.	31st In
1	<b>AUTHORIZED SHARE CAPITAL</b> 10000000 Equity Shares of Rs.10/- each (Previous Year 10000000 Equity Shares of Rs.10/-each)		100,000,000		100,000,000
	<b>Total</b>		<b>100,000,000</b>		<b>100,000,000</b>
2	<b>ISSUED , SUBSCRIBED &amp; FULLY PAID UP CAPITAL</b> 5256300 Equity Shares of 10/- each (Previous Year 5256300 Equity Shares of Rs.10/-each fully paid up)		52,563,000		52,563,000
	<b>Total</b>		<b>52,563,000</b>		<b>52,563,000</b>

12.1 The reconciliation of the number of Equity Shares outstanding as at 31st March 2019 is set out below :

Particulars	As at 31st March, 2019		As at 31st March, 2018	
	No. of shares	In Rs.	No. of shares	In Rs.
Add: Shares outstanding at the beginning of the year	5,256,300	52,563,000	5,256,300	52,563,000
Shares issued during the year	-	-	-	-
Shares outstanding at the end of the year	5,256,300	52,563,000	5,256,300	52,563,000

12.2 Rights, preferences and restrictions attached to Equity Shares

The company has one class of equity shares having a par value of Rs.10 each. Each shareholder is eligible for one vote per share held. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

12.3 The details of shareholders holding more than 5% shares are set out below

Name of the shareholders	As at 31st March, 2019		As at 31st March, 2018	
	No. of Shares	% of holding	No. of Shares	% of holding
Radheshyam L. Kabra	802,500	15.27%	-	-
Girjaben R Kabra	536,300	10.20%	536,300	10.20%
Govindram Laluram Kabra	496,000	9.44%	496,000	9.44%
Pratik Radheshyam Kabra	439,419	8.36%	439,419	8.36%
Hansaben Govindram Kabra	350,000	6.66%	350,000	6.66%
Mercury Metals Limited	-	-	453,100	8.62%
Dhwani Vishal Maheshwari	424,913	8.08%	-	-
Neha Ramprakash Kabra	300,000	5.71%	300,000	5.71%

**Note - 13 Other Equity**

Sr. No.	Particulars	As at March, 2019 Rs.	31st In	As at March, 2018 Rs.	31st In
A	<b>Retained Earnings</b>				
	Balance as per last Financial year		14,894,870		13,063,730
	Add : Profit for the year		1,497,052		1,831,140
	<u>Adjustments as per Ind AS</u>				
	Fair Valuation of Investments		-		-
	DTA created as per Fair Valuation of Investments		-		-
			<b>16,391,922</b>		<b>14,894,870</b>
B	<b>Other Comprehensive Income</b>				
	Balance as per last Financial year		132,814		24,765
	Add/ (Less) :				
	Fair value of Investments		(236,000)		145,520
	Deferred tax on Fair Value of Investments		63,366		(37,471)
			<b>(39,820)</b>		<b>132,814</b>
	<b>Total</b>		<b>16,352,102</b>		<b>15,027,684</b>

**Note - 14 Deferred Tax Liability(Net)**

Sr. No.	Particulars	As at March, 2019 Rs.	31st In	As at March, 2018 Rs.	31st In
1	<b>DEFERRED TAX LIABILITIES :</b>				
	Arising on account of timing difference				
	- Fixed Assets : Impact of difference between Tax Depreciation and Depreciation / amortization charged for the financial reporting		1,226,057		916,895
	<b>TOTAL DEFERRED TAX LIABILITIES ( A )</b>		<b>1,226,057</b>		<b>916,895</b>
	Less :				
2	<b>DEFERRED TAX ASSETS :</b>				
	Arising on account of timing difference				
	- Fair Valuation of Equity Instruments		269,956		206,591
	- MAT Credit Entitlement		-		427,764
	<b>TOTAL DEFERRED TAX ASSETS ( B )</b>		<b>269,956</b>		<b>634,355</b>
	<b>Total (A-B)</b>		<b>956,101</b>		<b>282,540</b>

**14.1 Reconciliation of deferred tax liabilities(Net):**

Particulars	31st March,2019	31st March,2018
<b>Opening balance</b>	282,540	492,042
Tax (income)/expense during the period recognised in profit or loss	420,804	(246,973)
Tax (income)/expense during the period recognised in other comprehensive income	(63,366)	37,471
Tax (income)/expense during the period recognised directly in other equity	-	-
<b>Closing balance</b>	<b>639,978</b>	<b>282,540</b>

**14.2 Movements in DTA:**

Particulars	Fair Valuation of Equity Instruments	MAT credit Entitlement	Total
<b>At 1st April 2017</b>	<b>244,062</b>	<b>298,255</b>	<b>542,317</b>
charged/credited:			
to Profit or Loss	-	129,509	129,509
to other comprehensive income	(37,471)	-	(37,471)
<b>At 31st March 2018</b>	<b>206,591</b>	<b>427,764</b>	<b>634,355</b>
charged/credited:			
to Profit or Loss	-	-	-
to other comprehensive income	63,366	-	63,366
<b>At 31st March 2019</b>	<b>269,957</b>	<b>427,764</b>	<b>697,721</b>

**14.3 Movements in DTL:**

Particulars	Assets : Impact of difference between Tax Depreciation and Depreciation / amortization charged for the financial reporting	Total
<b>At 1st April, 2017</b>	<b>1,034,359</b>	<b>1,034,359</b>
charged/credited:		
to Profit or Loss	(117,464)	(117,464)
to other comprehensive income	-	-
<b>At 31st March, 2018</b>	<b>916,895</b>	<b>916,895</b>
charged/credited:		
to Profit or Loss	309,162	309,162
to other comprehensive income	-	-
<b>At 31st March, 2019</b>	<b>1,226,057</b>	<b>1,226,057</b>

**Note - 15 Borrowings**

Sr. No.	Particulars	As at March, 2019 Rs.	31st In	As at March, 2018 Rs.	31st In
	<b>Non Current borrowings</b>				
	(a) From Banks	1,281,415		-	
		1,281,415		-	
	<b>Current borrowings</b>				
	(a) From Banks *	50,818,365		55,203,032	
		50,818,365		55,203,032	
	<b>Total</b>	<b>52,099,780</b>		<b>55,203,032</b>	

\*Secured by the pari-passu charge over inventories and book debts and equitable mortgage of immovable properties of Directors/ Guarantors.

15.1	Particulars	As at March, 2019 Rs.	31st In	As at March, 2018 Rs.	31st In
	<b>Secured borrowings</b>				
	Punjab National Bank Working Capital Loan	50,818,365		55,203,032	
	<b>Total</b>	<b>50,818,365</b>		<b>55,203,032</b>	

**Note - 16 Trade Payable**

Sr. No.	Particulars	As at March, 2019 Rs.	31st In Rs.	As at March, 2018 Rs.	31st In Rs.
	Other than Micro, Small and Medium Enterprises*		20,280,266		3,015,380
	<b>Total</b>		<b>20,280,266</b>		<b>3,015,380</b>

\* The Company has not received information from the Suppliers regarding their status under The Micro, Small and Medium Enterprises Development Act, 2006. Hence, disclosures, if any relating to amounts unpaid as at the balance sheet date together with interest paid or payable as per the requirement under the said Act, have not been made.

**Note - 17 Other Current Liabilities**

Sr. No.	Particulars	As at March, 2019 Rs.	31st In Rs.	As at March, 2018 Rs.	31st In Rs.
1	Revenue received in Advance		8,800,000		6,969,787
2	Current maturities of Long Term Debts		348,637		-
3	Other Payables*		252,058		896,644
	<b>Total</b>		<b>9,400,695</b>		<b>7,866,431</b>

\* Includes Statutory Dues

**Note - 18 Provisions**

Sr. No.	Particulars	As at March, 2019 Rs.	31st In Rs.	As at March, 2018 Rs.	31st In Rs.
1	Provision for Expenses		187,630		147,547
2	Provision for Income Tax ( Net of Advance Tax)		-		44,734
	<b>Total</b>		<b>187,630</b>		<b>192,281</b>

**Note: 19 Revenue from Operations**

Sr. No	PARTICULARS	Year Ended 31st March, 2019 In Rs.	Year Ended 31st March, 2018 In Rs.
	Sales of Product Domestic Sales	422,864,576	453,032,212
	<b>Total</b>	<b>422,864,576</b>	<b>453,032,212</b>

**Note: 20 Other Income**

Sr. No	PARTICULARS	Year Ended 31st March, 2019 In Rs.	Year Ended 31st March, 2018 In Rs.
	Interest Income	170,668	3,278,990
	Other Non Operating Income :		
	Other Income	1,692,396	38,052
	<b>Total</b>	<b>1,863,064</b>	<b>3,317,042</b>

**Note: 21 Changes in Inventories of Finished Goods, Work-In-Progress And Stock-In-Trade**

Sr. No	PARTICULARS	Year Ended 31st March, 2019 In Rs.	Year Ended 31st March, 2018 In Rs.
	Opening Stock		
	Stock-in-Trade	9,648,019	43,241,375
	<b>Total ( A )</b>	<b>9,648,019</b>	<b>43,241,375</b>
	Closing Stock		
	Stock-in-Trade	7,455,234	9,648,019
	<b>Total ( B )</b>	<b>7,455,234</b>	<b>9,648,019</b>
	<b>Total (A-B)</b>	<b>2,192,785</b>	<b>33,593,356</b>

**Note: 22 Employee Benefits Expense**

Sr. No	PARTICULARS	Year Ended 31st March, 2019 In Rs.	Year Ended 31st March, 2018 In Rs.
	Salary & Wages	2,153,031	1,732,390
	<b>Total</b>	<b>2,153,031</b>	<b>1,732,390</b>

**Note: 23 Finance Costs**

Sr. No	PARTICULARS	Year Ended 31st March, 2019 In Rs.	Year Ended 31st March, 2018 In Rs.
	Interest Expense	6,741,534	6,702,417
	Processing Charges	180,000	195,000
	<b>Total</b>	<b>6,921,534</b>	<b>6,897,417</b>

**Note: 24 Other Expenses**

Sr. No	PARTICULARS	Year Ended 31st March, 2019 In Rs.	Year Ended 31st March, 2018 In Rs.
1	<b>Administrative Expense</b>		
	Repair & Maintenance	45,185	17,370
	Clearing and Forwarding	190,013	514,451
	Electricity Expense	575,188	476,199
	Custom duty	527,718	2,101,450
	-As Auditor		
	Statutory Audit Fees	30,000	30,000
	Tax auditor	15,000	15,000
	Labour charges	516,400	197,906
	Demurrage	-	7,000
	Rent Expense	715,160	628,250
	Insurance Expenses	80,417	50,610
	Fees & Taxes	299,800	306,115
	Water charges	106,341	90,561
	Legal Expense	550,372	622,968
	Telephone Expenses	13,131	8,748
	Printing and Stationary	17,530	19,505
	Transportation Charges	177,836	184,400
	Membership fees	20,000	-
	Loading and Unloading	9,100	3,700
	Business Promotion	56,310	33,789
	Petrol Expenses	15,370	37,100
	General Consumables	23,700	3,312
	Demat A/c Maintenance Charges	-	5,187
	Refreshment Expenses	92,179	79,948
	Loss on Exchange Rate Fluctuation	320,416	52,224
	Commission Charges	-	16,000
	Consulting charges	-	18,000
	Computer Expense	17,180	-
	Stamp duty	-	-
	Interest and Penalties	461	91,583
	Miscellaneous expenses	39,634	32,110
	FLC charges	-	169,104
	LC Charges	178,772	
	Bank Charges	88,762	70,904
		<b>4,721,975</b>	<b>5,883,494</b>
2	<b>Selling &amp; Distribution</b>		
	Website Expense	29,380	25,373
		<b>29,380</b>	<b>25,373</b>
	<b>Total</b>	<b>4,751,355</b>	<b>5,908,867</b>

**Note - 25 Current Tax**

Sr. No	PARTICULARS	Year Ended 31st March, 2019 In Rs.	Year Ended 31st March, 2018 In Rs.
1	Current Tax	724,729	517,200
	<b>Total</b>	<b>724,729</b>	<b>517,200</b>

Reconciliation of the Income Tax Expense (Current tax + Deferred tax) amount considering the enacted Income Tax Rate and effective Income Tax rate of the Company 25.1 as follows.

Particulars	31st March, 2019	31st March, 2018
Accounting profit before tax from continuing operations		
Accounting profit before income tax	2,642,584	2,101,367
At India's statutory income tax rate	687,072	541,102
Non-Deductible expenses for tax purposes	914,504	487,352
Deductible expenses for tax purposes	(567,684)	(628,759)
Others	111,641	(129,468)
Income tax expense reported in the statement of profit and loss	1,145,533	270,227

**Note - 26. Earning Per Share**

Sr. No	PARTICULARS	Year Ended 31st March, 2019 In Rs.	Year Ended 31st March, 2018 In Rs.
1	Net Profit attributable to the Equity Shareholders		
(A)		1,497,052	1,831,140
2	Weighted average number of Equity Shares outstanding during the period	5,256,300	5,256,300
3	Nominal value of Equity Shares (₹)	10	10
	Basic/Diluted Earnings per Share (₹)	0.28	0.35
4	(A/B)		

**Note - 27 Related party disclosures****(A) Key management personnel (KMP):**

Sr. No.	Name	Designation
1	Pratik R Kabra	Managing Director
2	Govindlal M Dudani	Director
3	Kanchan G Kabra	Director
4	Pankhil D Desai	Director
5	Bhavika Lalwani	Company Secretary
6	Nimish H Bavishi	CFO

**(B) Other related parties:**

Sr. No.	Particulars	Nature of relationship
1	Shree Extrusions Ltd	Entities under same management
2	Mercury Metals Limited	Entity over which KMP has significant Influence
3	Kabra Agro Farms Pvt. Ltd.	
4	Metal Alloys Corporation	Entity owned by KMP
5	Radheshyam L. Kabra	Relatives of KMP
6	Ramprakash L. Kabra	

**27.1 Disclosures of Transactions between the Company and Related Parties and the status of outstanding balances as on 31st March, 2019:**

In Rs.			
Sr. No.	Nature of Transaction	Key management personnel	Other related parties
1	Revenue from operations (Previous Year)	-	24,102,020
2	Rent Expenses (Previous Year)	420,000	(161,800,101)
3	Sale of Machinery (Previous Year)	(452,000)	-
4	Salary, Bonus and Perquisites (Previous Year)	152,500	2,539,671
		(345,000)	-
	Total (Previous Year)	572,500	26,641,691
		(797,000)	(161,800,101)
	Amount receivable at the year end (As at 31st March, 2018)	-	-
	Amount payable at the year end (As at 31st March, 2017)	-	-

**27.2 Disclosures in respect of transactions with related parties during the year:**

Sr.No.	Particulars	Related Parties	Year ended 31st March, 2019	Year ended 31st March, 2018
1	Revenue from Operations	Shree Extrusion Ltd	9,638,337	152,739,932
		Metal Alloys Corporation	14,463,683	9,060,169
2	Salary, Bonus and Perquisites	Govindlal Dudhani	152,500	345,000
3	Rent Expenses	Pratik Kabra	420,000	452,000
4	Sale of Machinery	Shree Extrusion Ltd	2,539,671	-

**27.3 Breakup of compensation paid to key management personnel:**

In Rs.				
Sr. No.	Particulars	Key management personnel	Year ended 31st March, 2019	Year ended 31st March, 2018
1	Short-term employee benefits	Govindlal Dudhani	152,500	345,000
	Total		152,500	345,000

**27.4** All transactions during the year with related parties are at arm's length and unsecured. No amount has been recognised as bad or doubtful in respect of transactions with the related parties.**Note - 28 Operating Segment****(a) Information about Reportable segment:**

The group operates mainly in the trading of Metals and all other activities are incidental thereto, which have similar risk and return . Hence there is no separate reportable segment .

**(b) Major customers**

The details of the major customers generating more than or equal to 10% of the total revenue for the year are given in the following table.

Sr. No.	Particulars	Percentage of total revenue %
1	Ry Midas Aluminiums Pvt.Ltd.	55.61%
2	Talin International Pvt.Ltd.	25.15%
	Total	80.76%

**( c ) Information about the Geographical segment**

The geographical information analysis the groups revenues and non current assets by the company's country of domicile (India ) and other countries. In presenting the geographical information , segment revenue has been based on geographical location of the customers and segment assets have been based on the geography .

PARTICULARS	As at 31st March, 2019 In Rs.	As at 31st March, 2018 In Rs.
Revenue		
Revenue from External Customers		
India	422,864,576	453,032,212
Other countries	-	-

**Non current assets**

PARTICULARS	As at 31st March, 2019 In Rs.	As at 31st March, 2018 In Rs.
India	18,482,153	20,695,408
Other Countries		



## (A) Break-up of Revenues

PARTICULARS	As at 31st March, 2019 In Rs.	As at 31st March, 2018 In Rs.
Revenue from operations	422,864,576	453,032,212
Other income	1,863,064	3,317,042

## (B) Non Current Assets

Non current assets Excludes financial instruments and deferred tax assets.

**Note - 29. Contingent Liabilities and Commitments (To the extent not provided for)**

Particulars	(Rs. in Lacs)		
	As at 31st March, 2019 In Rs.	As at 31st March, 2018 In Rs.	As at 31st March, 2017 In Rs.
a. Guarantees / Letter of credit			
v) Guarantee/ Undertaking issued by the company's banker towards import of material under buyer's credit	-	-	86.91
<b>Total</b>	-	-	<b>86.91</b>

**Note - 30****(A) Financial Risk Management Objectives and Policies**

The Company's principal financial liabilities, comprise loans and borrowings and trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include trade and other receivables and

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks and ensures that Company's financial risks are identified, measured and governed in accordance with the Company's policies and risk objectives. The Board of Directors reviews and agrees policies for managing each of these risks which are summarized below.

**(i) Market Risk**

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk that affects the Company comprises of one element: Interest rate risk. Financial instruments affected by market risk include loans, borrowings and deposits.

**Interest Rate Risk**

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to short term debt obligations with fixed interest rates.

**(ii) Credit Risk**

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract leading to a financial loss. The Company is exposed to credit risk from its operating activities and from its financing activities including deposits with banks and other financial instruments.

**Trade Receivables**

Customer credit risk is managed by the Company's policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed based on an extensive credit rating and individual credit limits are defined in accordance with this assessment. Outstanding customer receivables are regularly monitored. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial asset disclosed in respective note. The Company does not hold collateral as security.

### Cash deposits

Credit risk from balances with banks is managed by the Company in accordance with its policies. These policies are set to minimize concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make payments.

### (iii) Liquidity Risk

The Company manages its liquidity risk by using liquidity planning and balancing funds requirement vis-a-vis funds available. Various lines of credit available are used to optimize funding cost and ensuring that adequate funds are available for business operations.

### (B) Capital Risk Management

The Company's objectives when managing capital are to:

- safeguard their ability to continue as a going concern so that they can continue to provide return for shareholders and benefits for other stakeholders.

- maintain an optimal capital structure to reduce the cost of capital.

The Company monitors capital on the basis of the following debt equity ratio

Particulars	As at 31st March, 2019 In Rs.	As at 31st March, 2018 In Rs.
Total Debt	82,924,472	66,559,664
Adjusted net debt	82,924,472	66,559,664
Total Equity		
Equity	68,915,102	67,590,684
Total debt to total equity ratio	1.20	0.98

### Note - 31 Financial Instruments :

The Company uses the following hierarchy for determining the fair value of financial instruments by valuation technique :

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

Level 2 : Other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly.

Level 3 : Techniques which are inputs have a significant effect on the recorded fair value that are not based on observable market data.

### A. Financial Assets

Particulars	Note	Instruments carried at		Total carrying amount	Total Fair Value	In Rs.
		Fair Value	Amortized cost			
		FVTOCI	Carrying amount			
<b>As at 31st March 2018</b>						
Investments (Quoted)	5	500,000	-	500,000	500,000	Level 1
Investments (Unquoted)	5	-	-	-	-	Level 3
Trade receivables	8	-	45,129,367	45,129,367	45,129,367	
Cash and cash equivalents	9	-	681,258	681,258	681,258	
Bank balances other than above	10	-	-	-	-	
<b>Total</b>		<b>500,000</b>	<b>45,810,625</b>	<b>46,310,625</b>	<b>46,310,625</b>	
<b>As at 31st March 2019</b>						
Investments (Quoted)	5	264,000	-	264,000	264,000	Level 1
Investments (Unquoted)	5	-	-	-	-	Level 3
Trade receivables	8	-	82,540,856	82,540,856	82,540,856	
Cash and cash equivalents	9	-	8,462,727	8,462,727	8,462,727	
Bank balances other than above	10	-	2,522,500	2,522,500	2,522,500	
<b>Total</b>		<b>264,000.00</b>	<b>93,526,083</b>	<b>93,790,083</b>	<b>93,790,083</b>	

### B. Financial liabilities :

Particulars	Note	Instruments carried at		Total carrying amount	Total Fair Value	In Rs.
		Fair Value	Amortized cost			
		FVTPL	Carrying amount			
<b>As at 31st March 2018</b>						
Borrowings	15	-	55,203,032	55,203,032	55,203,032	
Trade payables	16	-	3,015,380	3,015,380	3,015,380	
			<b>58,218,412</b>	<b>58,218,412</b>	<b>58,218,412</b>	
<b>As at 31st March 2019</b>						
Borrowings	15	-	52,099,780	52,099,780	52,099,780	
Trade payables	16	-	20,280,266	20,280,266	20,280,266	
<b>Total</b>			<b>72,380,046</b>	<b>72,380,046</b>	<b>72,380,046</b>	

### Note - 32

There are no transaction in Current Account of Bhuj Mercantile Co-operative Bank Limited due to account becoming dormant because of non-updating of KYC documents. Further, no bank statement has been provided during the year for the same account.

### Note - 33

Previous Year's figures have been regrouped / reclassified wherever necessary to confirm to current year presentation.

**SHREE METALLOYS LIMITED**

CIN:-L67120GJ1994PLC023471

Regd. Office: 103, Sun Square, Nr. Klassic Gold Hotel, OFF. C.G.Road, Navrangpura,  
Ahmedabad-380009, Gujarat.

**ATTENDANCE SLIP**

Full name of the Member attending:

\_\_\_\_\_

Name of Proxy: \_\_\_\_\_

I hereby record my presence at the Annual General Meeting being held on **Saturday, 28<sup>th</sup> September, 2019** at **11.00 A.M.** at 103, Sun Square, Nr. Klassic Gold Hotel, OFF. C. G. Road, Navrangpura, Ahmedabad-380009, and Gujarat.

Regd. Folio No. -	
DP Id* -	
Client Id* -	
No. of Share held -	

Member's/Proxy's Signature

(To be signed at the time of handling over the slip)

\_\_\_\_\_

\* Applicable for members holding shares in dematerialized form.

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

**Form No. MGT-11****Proxy form**

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

CIN:	L67120GJ1994PLC023471
Name of the company:	SHREE METALLOYS LIMITED
Registered office:	103, Sun Square, Nr. Klassic Gold Hotel, OFF. C.G.Road, Navrangpura, Ahmedabad-380009, Gujarat

Name of the member(s):

Registered address:

Email Id:

Folio No./Client Id:

DP ID:

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

1.	Name:	
	Address:	
	E-mail Id:	
	Signature:	

2.	Name:	
	Address:	
	E-mail Id:	
	Signature:	

3.	Name:	
	Address:	
	E-mail Id:	
	Signature:	

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 25<sup>th</sup> Annual general meeting of the company, to be held on the Saturday, 28<sup>th</sup> day of September, 2019 at 11.00 A.M. at the registered office of the Company situated At 103,Sun Square, Nr. Klassic Gold Hotel, OFF. C.G. Road, Navrangpura, Ahmedabad-380009, Gujarat and at any adjournment thereof in respect of such resolutions as are indicated below:

<b>Resolution No.</b>	<b>Particulars</b>
1.	To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2019, Statement of Profits & Loss and together with Cash Flow Statement and Notes forming part thereto ("Financial Statement") for the year ended on 31 <sup>st</sup> March, 2019 and Report of the Board of Directors and Auditors thereon.
2.	To appoint a Director in place of <b>Mr. Pratik R. Kabra</b> (DIN: 00006358), Director who retires by rotation at this meeting and being eligible, offers himself for re-appointment.
3.	To appoint Mr. Tagaram L. Chowdhary who was appointed as an Additional Director of the Company under the category of Non-Executive Independent director (DIN : 00483173) w.e.f. 14.11.2018
4.	Mrs. Leena Vijayan who was appointed as an Additional Director of the Company under the category of Women Independent director subject to allotment of DIN and w.e.f. allotment of DIN
5.	To approve related party transactions to be entered by the Company with related parties

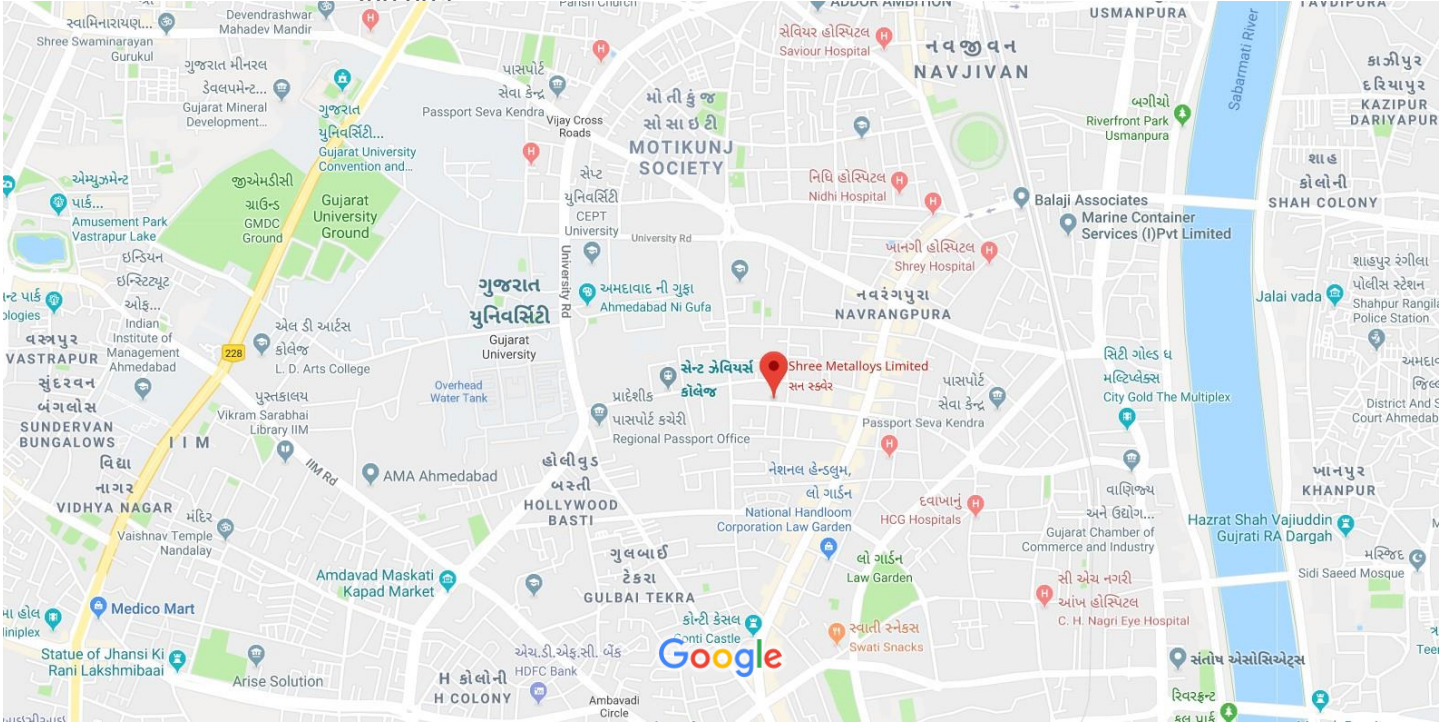
Signed this..... day of 2019

Signature of shareholder

Signature of Proxy holder(s)

**Note: 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.**

103, Sun Square, Nr. Klassic gold hotel, off. C.G.Road, Navrangpura, Ahmedabad – 380 009



Shree Metalloys Limited  
Sun Square