



# 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

06.11.2020

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

**Sub : Re-Submission of Annual Report for the Financial Year 2019-20 to rectify the typographical error.**

Dear Sir,

With reference to the above captioned subject, we would like to inform you that, we have submitted the Annual Report for the financial year 2019-20 on 3<sup>rd</sup> November, 2020 on exchange's listing portal (i.e. <http://listing.bseindia.com>), however it came to notice of the Company that there were some typographical error in the Notice that name of Director who is retire by rotational is wrongly mentioned and therefore to rectify the said error, we hereby upload revised Annual Report for the Financial Year 2019-20.

We hereby inform the all concern to avoid the earlier filing of Annual Report done on 3<sup>rd</sup> November, 2020 and consider the revised Annual Report attached with this letter and also take the same on your record.

Yours faithfully,

For, **SHREE METALLOYS LIMITED.**

  
  
**Pratik R. Kabb**  
**Managing Director**  
**DIN : 00006358**

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

# Annual Report 2019-20

SHREE METALLOYS LIMITED

26<sup>TH</sup> ANNUAL GENERAL MEETING

## 26<sup>th</sup> Annual Report 2019-20

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

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

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

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

Nimish H. Bavishi  
Chief Financial Officer

Bhavika D. Lalwani  
Company Secretary & Compliance Officer  
(Upto 05/03/2020)

Sonali Panchal  
Company Secretary & Compliance Officer  
(w.e.f 06/03/2020)

#### **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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## SHREE METALLOYS LIMITED

CIN: L67120GJ1994PLC023471

### NOTICE

NOTICE is hereby given that the Twenty Six Annual General Meeting of Shree Metalloys Limited will be held on Wednesday, November 25, 2020 at 4:00 p.m. IST through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM") to transact the following businesses:

#### **ORDINARY BUSINESS:**

1. To receive, consider and adopt the Audited Balance Sheet as at 31<sup>st</sup> March, 2020, 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, 2020 and Report of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Govindlal Mangilal Dudani (DIN: 07775287), Director who retires by rotation at this meeting and being eligible, offers himself for re-appointment.

#### **SPECIAL BUSINESS:**

3. **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.    | 20,00,00,000/-    | -                |

|    |                   |   |                          |                |   |
|----|-------------------|---|--------------------------|----------------|---|
|    |                   | Shree Extrusion Ltd.  |                          |                |   |
| 2. | Sale of Goods     | Firm in which Managing Director is a Partner                | Metal Alloys Corporation | 10,00,00,000/- | - |
| 3. | Sale of Machinery | Mr. Pratik Kabra is also a Director in Shree Extrusion Ltd. | Shree Extrusion Ltd.     | 1,00,00,000/-  |   |

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”.

#### 4. Reclassification of the Status of Promoters Shareholding into Public Shareholding

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

“**RESOLVED THAT** pursuant to the recommendation of the Board and Regulation 31A and other applicable provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and any other laws and regulations as may be applicable from time to time (including any statutory modifications or re-enactments thereof for the time being in force), and subject to necessary approvals from the BSE Limited (hereinafter referred to as stock exchange), the Securities and Exchange Board of India (SEBI) and other appropriate statutory authorities, as may be necessary; the consent of the Members, be and is hereby accorded to reclassify the following person (hereinafter individually referred to as the “Applicant”) from “Promoter Group” shareholding of the Company to “Public” shareholding of the Company:

| Sr. No. | Name of Promoter Group Shareholder | No. of Equity Shares | % of Holding |
|---------|------------------------------------|----------------------|--------------|
| 1       | NEHA RAMPRAKASH KABRA              | 3,00,000             | 5.707%       |

**RESOLVED FURTHER THAT** the above applicant confirmed that all the conditions specified in sub-clause (i) to (vii) of clause (b) of sub-regulation (3) of Regulation 31A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 have been complied with and also confirmed that at all times from the date of such reclassification, shall continue to comply with conditions mentioned Regulation 31A of SEBI (LODR) Regulations, 2015 post reclassification from “Promoter & Promoter Group” to “Public”.

**RESOLVED FURTHER THAT** on approval of the Stock Exchange(s) upon application for reclassification of the aforementioned applicant, the Company shall effect such reclassification in the Statement of Shareholding pattern from immediate succeeding quarter under Regulation 31 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 and compliance to Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 and other applicable provisions.

**RESOLVED FURTHER THAT** the Directors of the Company, be and are hereby severally authorised to take all necessary steps in relation to aforesaid re-classification, to do all such acts, deeds and things as they may, in their absolute discretion deem necessary, to settle any questions, difficulties or doubts that may arise in this regard and to make & submit all requisite applications, representations, filings, undertakings and any other documents, to the Stock Exchanges and other regulatory authorities for their approval, as may be required, in order to give effect to this resolution.”

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

**Date: 29<sup>th</sup> October, 2020  
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 – 380009.**

#### **NOTES**

1. In view of the massive outbreak of the COVID-19 pandemic, social distancing is a norm to be followed and pursuant to the Circular No. 14/2020 dated April 08, 2020, Circular No.17/2020 dated April 13, 2020 issued by the Ministry of Corporate Affairs followed by Circular No. 20/2020 dated May 05, 2020, physical attendance of the Members to the EGM/AGM venue is not required and annual general meeting (AGM) be held through video conferencing (VC) or other audio visual means (OAVM). Hence, Members can attend and participate in the ensuing EGM/AGM through VC/OAVM.

2. Pursuant to the Circular No. 14/2020 dated April 08, 2020, issued by the Ministry of Corporate Affairs, the facility to appoint proxy to attend and cast vote for the members is not available for this EGM/AGM. However, the Body Corporates are entitled to appoint authorised representatives to attend the EGM/AGM through VC/OAVM and participate thereat and cast their votes through e-voting.

3. The Members can join the EGM/AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the EGM/AGM

through VC/OAVM will be made available for 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the EGM/AGM without restriction on account of first come first served basis.

4. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.

5. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and the Circulars issued by the Ministry of Corporate Affairs dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-voting system as well as venue voting on the date of the AGM will be provided by NSDL.

6. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM has been uploaded on the website of the Company at [www.shreemetalloys.com](http://www.shreemetalloys.com). The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com) respectively and the AGM Notice is also available on the website of NSDL (agency for providing the Remote e-Voting facility) i.e. [www.evoting.nsdl.com](http://www.evoting.nsdl.com).

7. AGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular No. 14/2020 dated April 08, 2020 and MCA Circular No. 17/2020 dated April 13, 2020 and MCA Circular No. 20/2020 dated May 05, 2020.

8. Since the AGM will be held through VC / OAVM, the Route Map is not annexed in this Notice.

9. Members are requested to quote Folio number in all their correspondences

10. Information pursuant to Regulation 36(3) of SEBI (Listing Obligation and Disclosure Requirement) Regulation, 2015 with regard to Directors seeking appointment / re-appointment is annexed hereto.

11. SEBI As per Regulation 40 of SEBI Listing Regulations, as amended, securities of listed companies can be transferred only in dematerialized form with effect from, April 1, 2019, except in case of request received for transmission or transposition of securities. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Members can contact the Company or Company's Registrars and Transfer Agent i.e. [mcsstaahmd@gmail.com](mailto:mcsstaahmd@gmail.com) for assistance in this regard.

## **THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING ARE AS UNDER:-**

The remote e-voting period begins on 22<sup>nd</sup> November, 2020 at 10:00 A.M. and ends on 24<sup>th</sup> November, 2020 at 05:00\_P.M. The remote e-voting module shall be disabled by NSDL for voting thereafter.

The Members whose names appear in the Register of Members / List of Beneficial Owners maintained by the Depositories as on 23<sup>rd</sup> September, 2020 (cut-off date) shall be entitled to avail the facility of remote e-voting as well as e-voting system on the date of the AGM. Any recipient of the Notice, who has no voting rights as on the Cut-off date, shall treat this Notice as intimation only.

How do I vote electronically using NSDL e-Voting system?

The way to vote electronically on NSDL e-Voting system consists of “Two Steps” which are mentioned below:

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

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

**Details on Step 1 is mentioned below:**

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

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

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

- 4. Your User ID details are given below :**

| <b>Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical</b> | <b>Your User ID is:</b>   |
|---|---|
| a) For Members who hold shares in demat account with NSDL.            | 8 Character DP ID followed by 8 Digit Client ID<br>For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****. |
| b) For Members who hold shares in demat account with CDSL.            | 16 Digit Beneficiary ID<br>For example if your Beneficiary ID is 12***** then your user ID is 12*****   |

|   |   |
|---|---|
| c) For Members holding shares in Physical Form. | EVEN Number followed by Folio Number registered with the company<br>For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001*** |
|---|---|

**5. Your password details are given below:**

- a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
- b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
- c) How to retrieve your 'initial password'?
  - (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
  - (ii) If your email ID is not registered, please follow steps mentioned below in process for those shareholders whose email ids are not registered

**6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:**

- a) Click on "[Forgot User Details/Password?](#)" (If you are holding shares in your demat account with NSDL or CDSL) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
- b) [Physical User Reset Password?](#) (If you are holding shares in physical mode) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
- c) If you are still unable to get the password by aforesaid two options, you can send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) mentioning your demat account number/folio number, your PAN, your name and your registered address.

Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.

7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
8. Now, you will have to click on "Login" button.
9. After you click on the "Login" button, Home page of e-Voting will open.

**Details on Step 2 is given below:**

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

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

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

### **General Guidelines for shareholders**

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to [cssuchaknikhil@gmail.com](mailto:cssuchaknikhil@gmail.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on toll free no.: 1800-222-990 or send a request to (Pratik Bhatt) at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) or [pratikb@nsdl.co.in](mailto:pratikb@nsdl.co.in) Contact No. 02224994738
4. 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 at the Meeting.
5. The Company has notified closure of Register of Members and Share Transfer Books from 23<sup>rd</sup> September, 2020 to 30<sup>th</sup> September, 2020 (both days inclusive).
6. Members holding shares in electronic form are requested to intimate immediately any change in their address or to their Depository Participants with whom they are maintaining their DEMAT Accounts. Members holding shares in physical form are requested to advise any change in their address or bank mandates immediately to the Company / MCS SHARE TRANSFER AGENT LIMITED.
7. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their DEMAT Accounts. Members holding shares in physical form can submit their PAN to the Company / MCS SHARE TRANSFER AGENT LIMITED.
8. Members who hold shares in physical form in multiple folios in identical names or joint holding in the same order of names are requested to send the share certificates to MCS SHARE TRANSFER AGENT LIMITED for consolidation into a single folio.
9. Members who have not registered their e-mail addresses so far are requested to register their e-mail address on the website of the Registrar and Share Transfer Agent of the Company i.e. MCS SHARE TRANSFER AGENT LIMITED for receiving all communications including Annual Report, Notices, Circulars, etc. from the Company electronically.
10. SEBI As per Regulation 40 of SEBI Listing Regulations, as amended, securities of listed companies can be transferred only in dematerialized form with effect from, April 1, 2019, except in case of request received for transmission or transposition of securities. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Members can

contact the Company or Company's Registrars and Transfer Agent i.e. MCS SHARE TRANSFER AGENT LIMITED for assistance in this regard.

11. M/S NIKHIL SUCHAK AND ASSOCIATES, Practicing Company Secretary (Membership No.: ACS 40614; CP No: 18938) (Address: 607, HAVELI ARCADE, SECTOR-11, GANDHINAGAR-382011, Gujarat, India) has been appointed as the Scrutinizer for overseeing the voting through Remote-E-voting in a fair and transparent manner.

12. Subject to receipt of requisite number of votes, the Resolutions shall be deemed to be passed on the date of Annual General Meeting i.e. Wednesday, 25<sup>th</sup> November, 2020.

13. 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.

**Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:**

In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to [shreemetalloys.ahd@gmail.com](mailto:shreemetalloys.ahd@gmail.com).

In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to [shreemetalloys.ahd@gmail.com](mailto:shreemetalloys.ahd@gmail.com).

**THE INSTRUCTIONS FOR MEMBERS FOR e-VOTING ON THE DAY OF THE EGM/AGM ARE AS UNDER:-**

1. The procedure for e-Voting on the day of the EGM/AGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members/ shareholders, who will be present in the EGM/AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the EGM/AGM.
3. Members who have voted through Remote e-Voting will be eligible to attend the EGM/AGM. However, they will not be eligible to vote at the EGM/AGM.
4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the EGM/AGM shall be the same person mentioned for Remote e-voting.

**INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE EGM/AGM THROUGH VC/OAVM ARE AS UNDER:**

1. Member will be provided with a facility to attend the EGM/AGM through VC/OAVM through the NSDL e-Voting system. Members may access the same at <https://www.evoting.nsdl.com> under shareholders/members login by using the remote e-voting credentials. The link for VC/OAVM will be available in shareholder/members login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or

have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush. Further members can also use the OTP based login for logging into the e-Voting system of NSDL.

2. Members are encouraged to join the Meeting through Laptops for better experience.
3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
5. Shareholders who would like to express their views/have questions may send their questions in advance mentioning their name demat account number/folio number, email id, mobile number at (company email id). The same will be replied by the company suitably.

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

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

**Date: 29<sup>th</sup> October, 2020**  
**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  
26<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. GOVINDLAL MANGILAL DUDANI</b>   |
| <b>DIN</b>  | 07775287   |
| <b>Designation</b>  | Non-executive director   |
| <b>Date of Birth</b>  | 11/01/1959   |
| <b>Date of Appointment</b>  | 04/04/2017   |
| <b>Qualification and experience in specific functional area</b>         | H.S.C Passed out and has experience in trading and manufacturing of metals and alloys of more than 30 years. |
| <b>Directorship held in other companies*</b>                            | NIL  |
| <b>Membership/ Chairmanships of Committee in other Public Companies</b> | NIL  |
| <b>Shareholding of Non-executive Director</b>                           | N.A  |
| <b>Relationships between Directors inter-se</b>                         | N.A  |

**\*Pvt. Companies excluded**

**Date: 29<sup>th</sup> October, 2020**  
**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**

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 2020-21 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. 3 of the Notice for approval by the Shareholders.

#### **ITEM No. 4:**

**Reclassification of the Status of Promoter Group Shareholding into Public Shareholding:**

The Company had received requests from Ms. Neha Ramprakash Kabra, Person belonging to Promoter Group of the Company for reclassification from 'the Promoter and Promoter Group' category to 'Public' category. The following is the detail regarding her respective shareholding in the Company

| <b>Sr. No.</b> | <b>Name of Shareholders</b> | <b>No. of Equity Shares</b> | <b>% of Holding</b> |
|----------------|-----------------------------|-----------------------------|---------------------|
| 1              | NEHA RAMPRAKASH KABRA       | 3,00,000                    | 5.707%              |

Neha Kabra never been involved in the operation and management of the company, in any manner whatsoever, whether directly or indirectly or through any agreement or otherwise. She has also never been an executive or non-executive director of the company nor hold any key managerial position nor she has played any advisory role in any area of day to day business of the company, and she classified as Person belonging to Promoter Group just because of she is a relative of Promoters of the Company. It is to be informed that Neha Kabra got married in the year 2015 and, therefore, requested to the Board of Directors of the Company to reclassify her from the Person belonging to Promoter Group to Public, subject to necessary approvals.

On the basis of the requests received by the Company and pursuant to the provisions of Regulation 31A(3)(b) of the SEBI (LODR) Regulations, 2015, the aforesaid Outgoing Person belonging to Promoter Group seeking reclassification has confirmed that –

- i) She does not hold more than ten per cent of the total Voting Rights in the Company;
- ii) She does not exercise control over the affairs of the Company directly or indirectly;
- iii) She does not have any special rights with respect to the Company through formal or informal arrangements including through any shareholder agreements;
- iv) She does not represent on the Board of Directors (including not having a Nominee Director) of the Company;
- v) She does not act as a Key Managerial Person in the Company;
- vi) She is not 'wilful defaulters' as per the Reserve Bank of India Guidelines;
- vii) She is not fugitive economic offenders.

Further, the aforesaid shareholder has confirmed that subsequent to reclassification, she would continue to comply with the requirements as mentioned in Regulation 31A of SEBI (LODR) Regulations, 2015.

The said requests for reclassification were considered, analysed and approved by the Board of Directors at its meeting held on June 24, 2020, subject to members' approval, and stock exchanges' approval subsequently.

The Promoter & Promoter Group shareholding in the Company would be 67.36% after the above reclassification.

None of the Directors, Key Managerial Personnel, or their relatives is concerned or interested in this resolution except to the extent and manner set out in the resolution.

The Board recommends passing of the resolution as set out under item no.4 for approval of the Members as Ordinary Resolution.

The relevant documents in this regard are available for inspection in, between 11:00 A.M. to 1:00 P.M. on all working days i.e., Monday to Friday, till the date of Annual General Meeting, at the Registered Office of the Company.

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

**Date: 29<sup>th</sup> October, 2020**  
**Place: Ahmedabad**

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

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

## Director's Report

Dear Members,

Your Directors have pleasure in presenting the 26<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, 2020.

### I. **FINANCIAL RESULTS:**

The financial performance of the Company for the year ended 31<sup>st</sup> March, 2020 is summarized below:

(Amount in Rupees)

| FINANCIAL RESULTS   | F.Y 2019-20         | F.Y 2018-19         |
|---|---------------------|---------------------|
| <b>Total Revenue from Operations (Net)<br/>(Incl. Changes in Inventories)</b> | <b>43,56,18,643</b> | <b>42,47,27,640</b> |
| <b>Total Expenditure (Excluding Depreciation)</b>                             | <b>43,13,79,793</b> | <b>41,97,74,650</b> |
| Gross Profit/(Loss)   | 42,38,850           | 49,52,990           |
| Less:   |                     |                     |
| Depreciation  | 22,74,076           | 23,10,406           |
| Provision for Taxation  | -                   | -                   |
| Earlier year's Tax  |                     |                     |
| Deferred Tax liabilities  | (1,03,838)          | 4,20,803            |
| Current Tax   | 6,18,080            | 7,24,729            |
| <b>Profit/ (Loss) after Tax (PAT)</b>   | <b>13,55,837</b>    | <b>14,97,052</b>    |
| Other Comprehensive Income  | (77,552)            | (172634)            |
| <b>Total Comprehensive Income</b>   | <b>12,78,285</b>    | <b>13,24,418</b>    |

### II. **OVERVIEW OF COMPANY'S FINANCIAL PERFORMANCE:**

The overall Revenue of the Company for the Current Financial year 2019-20 has increased to Rs.43,56,18,643/- as compared to Rs. 42,47,27,640/- in the Previous Financial year 2018-19. The Company's PAT as on 31<sup>st</sup> March 2020 is recorded at Rupees 13,55,837/-, as against 14,97,052/-.

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

### III. **AMOUNT TRANSFERRED TO RESERVE:**

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

### IV. **DIVIDEND:**

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

### V. **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.

**VI. 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.

**VII. 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.

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

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

**IX. 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"**.

**X. 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.

**XI. 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.

**XII. 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.

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

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

**XIV. 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.

**XV. 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.

**XVI. 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.

**XVII. 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

**XVIII. 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 2019-20.

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 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 11<sup>th</sup> June, 2019 Upto 30<sup>th</sup> August, 2019 as during that period the audit committee consist of Mr. Pratik Kabra (Executive director) and Mr. Tagaram Chowdhary (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 Mrs. Kanchan Kabra (DIN: 03417138) from the post of Independent Director on 11<sup>th</sup> June, 2019, the audit committee fall short of one independent director . It is to be noted that during the period from 11<sup>th</sup> June, 2019 to 30<sup>th</sup> August, 2019 one meeting of audit committee held on 12<sup>th</sup> August 2019.

### **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.

## **XIX. *MATTERS RELATED TO DIRECTORS AND KEY MANAGERIAL PERSONNEL:***

### ***a) Composition of Board:***

| <b>Name of Director</b>                           | <b>Designation</b>           | <b>Category</b>                          |
|---|------------------------------|--|
| <b>Mr. Pratik R. Kabra<br/>(DIN:00006358)</b>     | Chairman & Managing Director | Promoter Executive Director              |
| <b>TagaramLchowdhary<br/>(DIN:00483173)</b>       | Director                     | Non-executive Independent Director       |
| <b>Mr.Govindlal M. Dudani*<br/>(DIN:07775287)</b> | Director                     | Non-executive Director                   |
| <b>Mrs. Leena Vijayan****</b>                     | Director                     | Non-executive Woman Independent Director |

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

\*\*\*\* Mrs. Leena Vijayan was appointed as an women independent director w.e.f 30/08/2019

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

Mr. Govindlal M. Dudani (DIN : 07775287 ) ,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***

- Mrs. Leena Vijayan was appointed as an women independent director w.e.f 30/08/2019
- *Cessation:*
- Mrs. Kanchan G. Kabra was resigned from the post of Women Independent Director on 11/06/2019.

**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
3. Ms. Sonali Panchal-Company Secretary & Compliance Officer w.e.f. 06/03/2020

**Appointment/Change in Designation**

- Ms. Bhavika D. Lalwani was resigned as Company Secretary & Compliance Officer w.e.f. 05/03/2020

**e) 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.

**XX. 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, 2020, 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, 2020 and of the profit or loss of the Company for the year ended 31<sup>st</sup> March, 2020.
- 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.

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

The Company had conduct 7 (Seven) Board meetings during the financial year 2019-20 under review on: 10<sup>th</sup> April 2019, 10<sup>th</sup> May 2019, 11<sup>th</sup> June 2019, 12<sup>th</sup> August 2019, 12<sup>th</sup> November 2019, 31<sup>st</sup> January 2020 and 06<sup>th</sup> March, 2020.

**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      | 7  | 7        | Yes               |
| Mr. Govindlal M. Dudani  | 7  | 7        | Yes               |
| Mr. TAGARAM L. CHOWDHARY | 7  | 7        | Yes               |
| Mrs.Kanchan G. Kabra     | 2  | 2        | Yes               |
| Mrs. Leena Vijayan       | 3  | 3        | Yes               |

**XXII. 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:**

| Name of Directors        | Category                    | Designation                 | Number of Meeting entitled to attend | Number of Meeting Attended |
|--------------------------|-----------------------------|-----------------------------|--------------------------------------|----------------------------|
| Mrs. Kanchan Kabra       | Non-executive & Independent | Chairman (upto 11.06.2019)  | 1                                    | 1                          |
| Mr. Govindlal M. Dudani  | Non-executive               | Member                      | 4                                    | 4                          |
| Mr. Tagaram L Chowdhary* | Non-executive & Independent | Member                      | 4                                    | 4                          |
| Mrs. Leena Vijayan*      | Women Independent Director  | Chairman (w.e.f 12.08.2019) | 2                                    | 2                          |

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 10<sup>th</sup> May 2019, 12<sup>th</sup> August 2019, 12<sup>th</sup> November 2019 and 31<sup>st</sup> January 2020. The necessary quorum was not present on 12<sup>th</sup> August 2019.

\*Mrs. Leena Vijayan was appointed as a Women Non-Executive independent director w.e.f. 30/08/2019

▪ ***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 2019-20, 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:**

| Name of Directors              | Category                    | Designation               | Number of Meeting entitle to attend | Number of Meeting Attended |
|--------------------------------|-----------------------------|---------------------------|-------------------------------------|----------------------------|
| <b>Mrs. Kanchan Kabra</b>      | Non-executive & Independent | Member (Upto 11/06/2019)  | -                                   | -                          |
| <b>Mrs. Leena Vijayan</b>      | Non-executive & Independent | Member (w.e.f 30/08/2019) | 2                                   | 2                          |
| <b>Mr. Govindlal M. Dudani</b> | Non-executive               | Member                    | 2                                   | 2                          |
| <b>Mr. Tagaram L Chowdhary</b> | Non-executive & Independent | Chairman                  | 2                                   | 2                          |

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- "D"** and is attached to this report.

- Meeting:

During the Year, 2 (Two) meeting of the committee was held on 30<sup>th</sup> August, 2019 and 6<sup>th</sup> March, 2020.

**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> |
|---------------------------------|-----------------------------|--------------------|---|-----------------------------------|
| Mrs. Leena Vijayan*             | Non-executive & Independent | Chairman           | 1   | 1                                 |
| Mr. Govindlal M. Dudani         | Non-executive               | Chairman           | 1   | 1                                 |
| Mr. TAGARAM LUMBHARAM CHOWDHARY | Non-executive & Independent | Member             | 1   | 1                                 |

- **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, 2020: Nil

- **Compliance Officer**

The Compliance officer of the Company is Ms. Sonali Panchal w.e.f. 06-03-2020.

**Meetings of the Committee**

The Committee duly met on 31<sup>st</sup> December, 2020.

**XXIII. 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 -IV to this report.

**XXIV. 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.

**XXV. 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.

**XXVI. CORPOTRATE 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.

**XXVII. GENERAL SHAREHOLDERS INFORMATION:**

▪ **Annual general meeting :**

| Day and Date                                  | Time       | Venue  |
|---|------------|--|
| Wednesday, 25 <sup>th</sup><br>November, 2020 | 04.00 p.m. | Video Conferencing or other Audio Visual means |

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

The Company expects to announce the unaudited/audited quarterly results for the year 2020-21 as per the following schedule:

| Period  | Approval of Quarterly results             |
|---|---|
| Quarter ending 30 <sup>th</sup> June, 2020                    | By 2 <sup>nd</sup> Week of August 2020    |
| Quarter and half year ending 30 <sup>th</sup> September, 2020 | By 2 <sup>nd</sup> Week of November, 2020 |
| Quarter ending 31st December, 2020                            | By 2 <sup>nd</sup> Week of February, 2021 |
| The year ending 31st March, 2021                              | By end of May, 2021                       |

▪ **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

**Date: 29<sup>th</sup> October, 2020**  
**Place: Ahmedabad**

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

**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 2019-20 is described hereinunder.

(Amount in Rupees)

| <b>FINANCIAL RESULTS</b>  | <b>F.Y 2019-20</b>  | <b>F.Y 2018-19</b>  |
|---|---------------------|---------------------|
| <b>Total Revenue from Operations (Net)<br/>(Incl. Changes in Inventories)</b> | <b>43,56,18,643</b> | <b>42,47,27,640</b> |
| <b>Total Expenditure (Excluding Depreciation)</b>                             | <b>43,13,79,793</b> | <b>41,75,81,865</b> |
| Gross Profit/(Loss)   | 42,38,850           | 49,52,990           |
| Less:   |                     |                     |
| Depreciation  | 22,74,076           | 23,10,406           |
| Provision for Taxation  | -                   | -                   |
| Earlier year's Tax  |                     |                     |
| Deferred Tax liabilities  | (1,03,838)          | 4,20,803            |
| Current Tax   | 6,18,080            | 7,24,729            |
| <b>Profit/ (Loss) after Tax (PAT)</b>   | <b>13,55,837</b>    | <b>14,97,052</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 :29<sup>th</sup> October, 2020**  
**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<br>On yearly basis                          | Rs. 58,36,256/-  | 30/05/2018                       | -                                |
| 2.      | Metal Alloys Corporation                                | ▪ Sales of Goods                                | Renewable<br>On yearly basis                          | Rs. 68,44,984/-  | 30/05/2018                       | -                                |
| 3.      | Pratik Kabra  | ▪ Rent  | Renewable<br>On yearly basis                          | Rs. 420000/-   | 30/05/2018                       | -                                |

**Place: Ahmedabad**  
**Date: 29<sup>th</sup> October, 2020**

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:

| <b>Sr. No.</b> | <b>Requirements</b>  | <b>Disclosure</b>    |            |
|----------------|--|----------------------|------------|
| I.             | The ratio of remuneration to each director to the median remuneration of the employees for the financial year  | MD/WTD               | N/A        |
|                |  | Other Director       | N/A        |
| 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       | 1.10 times |
| III.           | The percentage increase in the median remuneration of employees in the financial year  | 29.40%               |            |
| IV.            | The number of permanent employees on the rolls of the Company as on 31 <sup>st</sup> March, 2020   | 7                    |            |
| 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

For and on behalf of the Board of Directors

**Date:** 29<sup>th</sup> October, 2020

**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 31/03/2020**  
**[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.<br>12/1/5 Manohar pukur Road, Kolkata, West Bengal -700026.<br>Contact:- 033 40724051/52<br>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)

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

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

| <b>S. N</b> | <b>NAME AND ADDRESS OF THE COMPANY</b> | <b>CIN/GLN</b> | <b>HOLDING/ SUBSIDIARY / ASSOCIATE</b> | <b>% of Shares held</b> | <b>Applicable Section</b> |
|-------------|--|----------------|--|-------------------------|---------------------------|
| 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<br>(01/04/2019) |          |         |                   | No. of Shares held at the end of the year<br>(31/03/2020) |          |         |                   | % Change during the year |
|---|---|----------|---------|-------------------|---|----------|---------|-------------------|--------------------------|
|   | Demat   | Physical | Total   | % of Total Shares | Demat   | Physical | Total   | % of Total Shares |                          |
| <b>A. Promoters</b>                                     |   |          |         |                   |   |          |         |                   |                          |
| <b>(1) Indian</b>                                       |   |          |         |                   |   |          |         |                   |                          |
| <b>a) Individual/HUF</b>                                | 3598387   | 40100    | 3638487 | 69.22             | 3800687   | 40100    | 3840787 | 73.07             | 3.85                     |
| <b>b) Central Govt</b>                                  | -   | -        | -       | -                 | -   | -        | -       | -                 | -                        |
| <b>c) State Govt(s)</b>                                 | -   | -        | -       | -                 | -   | -        | -       | -                 | -                        |
| <b>d) Bodies Corp.</b>                                  | -   | -        | -       | -                 | -   | -        | -       | -                 | -                        |
| <b>e) Banks / FI</b>                                    | -   | -        | -       | -                 | -   | -        | -       | -                 | -                        |
| <b>f) Any other Directors/Relatives</b>                 | -   | -        | -       | -                 | -   | -        | -       | -                 | -                        |
| <b>Sub-total (A)(1):-</b>                               | 3598387   | 40100    | 3638487 | 69.22             | 3800687   | 40100    | 3840787 | 73.07             | 3.85                     |
| <b>( Foreign</b>  |   |          |         |                   |   |          |         |                   |                          |
| <b>a) NRIs- Individuals</b>                             | -   | -        | -       | -                 | -   | -        | -       | -                 | -                        |
| <b>b) Other- Individuals</b>                            | -   | -        | -       | -                 | -   | -        | -       | -                 | -                        |
| <b>c) Bodies Corp.</b>                                  | -   | -        | -       | -                 | -   | -        | -       | -                 | -                        |
| <b>d) Bank/FI</b>                                       | -   | -        | -       | -                 | -   | -        | -       | -                 | -                        |
| <b>e) Any</b>   | -   | -        | -       | -                 | -   | -        | -       | -                 | -                        |
| <b>Other...</b>   | -   | -        | -       | -                 | -   | -        | -       | -                 | -                        |
| <b>Sub-total (A)(2):-</b>                               | -   | -        | -       | -                 | -   | -        | -       | -                 | -                        |
| <b>Total Shareholding of Promoter (A)=(A)(1)+(A)(2)</b> | 3598387   | 40100    | 3638487 | 69.22             | 3800687   | 40100    | 3840787 | 73.07             | 3.85                     |
|   |   |          |         |                   |   |          |         |                   |                          |

|  |         |        |         |       |         |        |         |       |        |
|--|---------|--------|---------|-------|---------|--------|---------|-------|--------|
| <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  | 17528   | -      | 17528   | 0.33  | 23294   | -      | 23294   | 0.44  | 0.11   |
| ii) Overseas   | -       | -      | -       | -     | -       | -      | -       | -     | -      |
| <b>b) Individuals</b>  |         |        |         |       |         |        |         |       |        |
| i) Individual shareholders holding nominal share capital upto Rs. 1 lakh         | 349241  | 400810 | 750051  | 14.26 | 194808  | 242730 | 437538  | 8.32  | (5.94) |
| ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh | 239226  | -      | 239226  | 4.55  | 426976  | 63800  | 490776  | 9.33  | 4.78   |
| <b>c) Others</b> 1.Hindu Undivided Families                                      | 610958  | -      | 610958  | 11.62 | 463905  | -      | 463905  | 8.82  | (2.80) |
| 2.Non Resident Repatriates   | 50      | -      | 50      | -     | -       | -      | -       | -     | -      |
| <b>Sub-total (B)(2):-</b>  | 1217003 | 400810 | 1617813 | 30.76 | 1108983 | 306530 | 1415513 | 26.93 | (3.85) |

|   |                |               |                |            |                |               |                |            |          |
|---|----------------|---------------|----------------|------------|----------------|---------------|----------------|------------|----------|
| Total Public Shareholding (B)=(B)(1)+(B)(2) | 1217003        | 400810        | 1617813        | 30.76      | 1108983        | 306530        | 1415513        | 26.93      | (3.85)   |
| C. Shares held by Custodian for GDRs & ADRs | -              | -             | -              | -          | -              | -             | -              | -          | -        |
| <b>Grand Total (A+B+C)</b>                  | <b>4815390</b> | <b>440910</b> | <b>5256300</b> | <b>100</b> | <b>4909670</b> | <b>346630</b> | <b>5256300</b> | <b>100</b> | <b>-</b> |

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

| Sr. No.      | Shareholder's Name   | Shareholding at the beginning of the year<br>(01/04/2019) |                                  |  | Share holding at the end of the year<br>(31/03/2020) |                                  |  | % 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.           | Pratik R. Kabra      | 439419  | 8.36                             | -  | 439419   | 8.36                             | -  | NIL                                       |
| 4.           | Hansaben G. Kabra    | 350000  | 6.66                             | -  | 350000   | 6.66                             | -  | NIL                                       |
| 5.           | Neha R. Kabra        | 300000  | 5.71                             | -  | 300000   | 5.71                             | -  | NIL                                       |
| 6.           | Jinal P. Kabra       | 249255  | 4.74                             | -  | 451555   | 8.59                             | -  | 3.85                                      |
| 7.           | Radheshyam L. Kabra  | 802500  | 15.27                            | -  | 802500   | 15.27                            | -  | NIL                                       |
| 8.           | Dhwani V. Maheshwari | 424913  | 8.08                             | -  | 424913   | 8.08                             | -  | NIL                                       |
| 9.           | Ramprasad M. Kabra   | 40000   | 0.76                             | -  | 40000  | 0.76                             | -  | NIL                                       |
| 10           | Madhuben Rampakash   | 100   | 0.00                             | -  | 100  | 0.00                             | -  | NIL                                       |
| 11           | Gopal Mittal         | -   | -                                | -  | -  | -                                | -  | -   |
| <b>TOTAL</b> |                      | <b>3379887</b>  | <b>69.22</b>                     | <b>-</b>   | <b>3840787</b>                                       | <b>73.07</b>                     | <b>-</b>   | <b>3.85</b>                               |

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

| Sr. No. |  | Reason For increase/decrease | Shareholding at the beginning of the year (01/04/2019) |                                  | Cumulative Shareholding during the year |                                  |
|---------|--|------------------------------|--|----------------------------------|---|----------------------------------|
|         |  |                              | No. of Shares  | % of total shares of the Company | No. of Shares                           | % of total shares of the Company |
|         | At the beginning of the year                             |                              | 3638487  | 69.22                            | 3638487                                 | 69.22                            |
|         | Jinal P Kabrapurchase 1,66,313/- shares during the year. | <b>Increase</b>              | 202300   | 3.85                             | 202300                                  | 3.85                             |
|         | At the end of the year                                   |                              | 3840787  | 73.07                            | 3840787                                 | 73.07                            |

**(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>MUKESHKUMAR JAGDISHCHANDRA BANGUR</b>          |                            |   |                                  |   |                                  |
|           | At the beginning of the year                      |                            | 131940                                    | 2.51                             | 131940                                  | 2.51                             |
|           | Increase/Decrease in Shareholding during the year | No Change                  |   |                                  |   |                                  |
|           | At the end of the year                            |                            | 131940                                    | 2.51                             | 131940                                  | 2.51                             |
|           |   |                            |   |                                  |   |                                  |
| <b>2.</b> | <b>AYUSH SHIVKUMAR AGRAWAL</b>                    |                            |   |                                  |   |                                  |
|           | At the beginning of the year                      |                            | 120800                                    | 2.30                             | 120800                                  | 2.30                             |
|           | Increase/Decrease in Shareholding during the year | No Change                  |   |                                  |   |                                  |
|           | At the end of the year                            |                            | 120800                                    | 2.30                             | 120800                                  | 2.30                             |
|           |   |                            |   |                                  |   |                                  |
| <b>3.</b> | <b>NARESH KAILASHCHANDRA JHAWER</b>               |                            |   |                                  |   |                                  |
|           | At the beginning of the year                      |                            | 118426                                    | 2.25                             | 118426                                  | 2.25                             |
|           | Increase/Decrease in Shareholding during the year | Decrease                   | 20000                                     | 0.38                             | 20000                                   | 0.38                             |
|           | At the end of the year                            |                            | 98246                                     | 1.87                             | 98246                                   | 1.87                             |
| <b>4.</b> | <b>JAGDISHCHANDRA D. BANGUR (HUF)</b>             |                            |   |                                  |   |                                  |
|           | At the beginning of the year                      |                            | 98300                                     | 1.87                             | 98300                                   | 1.87                             |
|           | 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>5.</b> | <b>ASHISHKUMAR JAGDISHCHANDRA. BANGUR(HUF)</b>    |                            |   |                                  |   |                                  |
|           | At the beginning of the year                      |                            | 97804                                     | 1.86                             | 97804                                   | 1.86                             |
|           | 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>6.</b>   | <b>SWETA NARESH JHAVER</b>                        |                            |       |      |       |      |
|             | At the beginning of the year                      |                            | 89100 | 1.70 | 89100 | 1.70 |
|             | Increase/Decrease in Shareholding during the year | Increase                   | 120   | -    | 120   | -    |
|             | At the end of the year                            |                            | 89220 | 1.70 | 89220 | 1.70 |
| <b>7.</b>   | <b>BEENA V JAIN</b>                               |                            |       |      |       |      |
|             | At the beginning of the year                      |                            | 72800 | 1.39 | 72800 | 1.39 |
|             | 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>8.</b>   | <b>RAKESH J SHAH</b>                              |                            |       |      |       |      |
|             | At the beginning of the year                      |                            | 50000 | 0.95 | 50000 | 0.95 |
|             | 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>9.</b>   | <b>ASAWA CHATTARLAL JANKILAL HUF</b>              |                            |       |      |       |      |
|             | At the beginning of the year                      |                            | 50000 | 0.95 | 50000 | 0.95 |
|             | 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>VISHNUBHAI BANSHILAL SHAH (HUF)</b>            |                            |       |      |       |      |
|             | At the beginning of the year                      |                            | 46529 | 0.89 | 46529 | 0.89 |
|             | Increase/Decrease in Shareholding during the year | No changes during the year |       |      |       |      |
|             | At the end of the year                            |                            | 46529 | 0.89 | 46529 | 0.89 |

**(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. LEENA VIJAYAN</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                              |
| 6.     | <b>Mr. Nimish H. Bavishi</b>  |                           |   |                                  |   |                                  |
|        | At the beginning of the year  |                           | 130                                       | 0.00                             | 130                                     | 0.00                             |
|        | Date wise Increase / Decrease in Promoters Share holding during the year          | No change During the year |   |                                  |   |                                  |
|        | At the end of the year  |                           | 130                                       | 0.00                             | 130                                     | 0.00                             |
| 5.     | <b>Mrs. Sonali Panchal</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                              |

**V. INDEBTEDNESS:-**

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

|  | <b>Secured Loans<br/>excluding<br/>deposits</b> | <b>Unsecured<br/>Loans</b> | <b>Deposits</b> | <b>Total<br/>Indebtedness</b> |
|--|---|----------------------------|-----------------|-------------------------------|
| <b>Indebtedness at the beginning of<br/>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                    |
| <b>Change in Indebtedness during<br/>the financial year</b>            |   |                            |                 |                               |
| • Addition   | -   | -                          | -               | -                             |
| • Reduction  | 50,812,095                                      | -                          | -               | 50,812,095                    |
| <b>Net Change</b>  |   |                            |                 |                               |
| <b>Indebtedness at the end of the<br/>financial year 2019-20</b>       |   |                            |                 |                               |
| i) Principal Amount  | 1287685   | -                          | -               | 1287685                       |
| ii) Interest due but not paid  | -   | -                          | -               | -                             |
| iii) Interest accrued but not due                                      | -   | -                          | -               | -                             |
| <b>Total (i+ii+iii)</b>  | 1287685   | -                          | -               | 1287685                       |

## 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/WTD/<br>Manager | Total<br>Amount |
|-----|---|----------------------------|-----------------|
|     |   | <b>Pratik R. Kabra</b>     |                 |
|     |   | <b>Managing Director</b>   | -               |
| 1   | Gross salary  | NIL                        | -               |
|     | (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             | NIL                        | -               |
| 2   | Stock Option  | -                          | -               |
| 3   | Sweat Equity  | -                          | -               |
| 4   | Commission<br>- as % of profit<br>- others, specify...                              | -                          | -               |
| 5   | Others, please specify  | -                          | -               |
|     | Total (A)   | -                          | -               |

**B. Remuneration to other Directors:**

| SN. | Particulars of Remuneration                | Name of Directors                |                     |                                       |                     | Total Amount |
|-----|--|----------------------------------|---------------------|---------------------------------------|---------------------|--------------|
|     |  | Leena Vijayan (w.e.f 12.08.2019) | Tagaram L Chowdhary | Kanchan Gopal Kabra (Upto 11.06.2019) | Govindlal M. Dudani |              |
| 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>      | Rs. 100000                       | Rs. 100000          | Rs. 100000                            | Rs. 100000          | Rs. 100000   |

**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) | Sonali Panchal (CS) (w.e.f 06/03/2020) | TOTAL    |
| 1  | Gross salary  | 2,20,000                 | 4,40,800                | 11322                                  | 4,52,122 |
|    | (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. 2,20,000 | Rs. 4,40,800 | Rs. 11322 | Rs. 6,72,122 |

**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: 29<sup>th</sup> October, 2020

For and on behalf of the Board of Directors

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

## Annexure-D

### SECRETARIAL AUDIT REPORT

#### Form No. MR-3

For the financial year ended on 31<sup>st</sup> March, 2020

[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, 2020** ('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, 2020 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 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 11<sup>th</sup> June, 2019 Upto 30<sup>th</sup> August, 2019 as during that period the audit committee consist of Mr. Pratik Kabra (Executive director) and Mr. Tagaram Chowdhary (Independent Director).***

**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:-29<sup>th</sup> October, 2020  
UDIN : A040614B000623328

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:-29<sup>th</sup> October, 2020**

**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, 2020 and the Statement of Profit and Loss (including the Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows ended on that date, and a summary of 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 ("Ind AS") prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, 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 ("SA's") specified under section 143(10) of the Act. 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 ethical 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 obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the financial statement.

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

The Company's Board of Directors is responsible for the preparation of 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 if 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 are responsible for the matters stated in Section 134(5) of the Companies Act, 2013 with respect to the preparation and presentation of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

The Board of Directors are responsible for overseeing the Company's financial reporting process.

## **Auditor's Responsibility for 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 control 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 the 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) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act.
  - (e) On the basis of written representations received from the directors of the Company as on 31st March, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2020 from being appointed as a director in terms of Section 164(2) of the Act.

- (f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure 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**  
**(FRN: 110758W/W100377)**

**Place of Signature: Ahmedabad**  
**Date: 24th June, 2020**

**Anand Sharma**  
**(Partner)**  
**Membership No: 129033**  
**UDIN: 20129033AAAAEK8532**

**Annexure A to Independent Auditors' Report**

(Referred to in paragraph 1(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, 2020 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, 2020, 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 Reg No: 110758W/W100377)**

**Place of Signature: Ahmedabad**  
**Date: 24th June, 2020**

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

## **Annexure 'B' to the Independent Auditor's Report**

With reference to the "Annexure B" referred to in the Independent Auditor's Report to the members of the Company on the Ind AS Financial statements for the year ended 31st March, 2020, we report the following:

(Referred to in paragraph 2 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 31st 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 31st March, 2020, 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: 24th June, 2020**

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

# SHREE METALLOYS LIMITED

CIN : L67120GJ1994PLC023471

## Balance Sheet as at 31st March, 2020

| Particulars                              | Note No. | As at 31st March, 2020<br>Rs. | As at 31st March, 2019<br>Rs. |
|--|----------|-------------------------------|-------------------------------|
| <b>ASSETS</b>                            |          |                               |                               |
| <b>(1) Non- current assets</b>           |          |                               |                               |
| (a) Property, Plant and Equipment        | 4        | 15,485,438                    | 17,688,515                    |
| (b) Financial assets                     |          |                               |                               |
| i) Investment                            | 5        | 159,200                       | 264,000                       |
| (c) Other non-current assets             | 6        | 793,638                       | 793,638                       |
| <b>(2) Current Asset</b>                 |          |                               |                               |
| (a) Inventories                          | 7        | 3,742,277                     | 7,455,234                     |
| (b) Financial assets                     |          |                               |                               |
| (i) Trade receivables                    | 8        | 35,911,110                    | 82,540,856                    |
| (ii) Cash and cash equivalents           | 9        | 21,705,906                    | 8,462,727                     |
| (ii) Bank Balances other than (ii) above | 10       | -                             | 2,522,500                     |
| (c) Other current assets                 | 11       | 1,124,215                     | 32,112,104                    |
| <b>Total Assets</b>                      |          | <b>78,921,784</b>             | <b>151,839,574</b>            |
| <b>EQUITY AND LIABILITIES</b>            |          |                               |                               |
| <b>EQUITY</b>                            |          |                               |                               |
| (a) Equity share capital                 | 12       | 52,563,000                    | 52,563,000                    |
| (b) Other equity                         | 13       | 17,630,387                    | 16,352,102                    |
| <b>LIABILITIES</b>                       |          |                               |                               |
| <b>(1) Non Current Liabilities</b>       |          |                               |                               |
| (a) Deferred Tax Liability(Net)          | 14       | 825,016                       | 956,101                       |
| (b) Financial Liabilities                |          |                               |                               |
| (i) Borrowings                           | 15       | 907,603                       | 1,281,415                     |
| <b>(2) Current liabilities</b>           |          |                               |                               |
| (a) Financial liabilities                |          |                               |                               |
| (i) Borrowings                           | 15       | -                             | 50,818,365                    |
| (ii) Trade payables                      | 16       | 5,547,643                     | 20,280,266                    |
| (b) Other current liabilities            | 17       | 539,681                       | 9,400,695                     |
| (c) Provisions                           | 18       | 908,454                       | 187,630                       |
| <b>Total Equity and Liabilities</b>      |          | <b>78,921,784</b>             | <b>151,839,574</b>            |

The accompanying Notes 1 to 31 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: 24.06.2020

Leena Vijayan  
Director  
(DIN - 08551144)  
Place: Ahmedabad  
Date: 24.06.2020

Sonali Panchal  
Company Secretary  
AWBPP2990D

# SHREE METALLOYS LIMITED

CIN : L67120GJ1994PLC023471

## Statement of Profit and Loss for the period ended 31st March, 2020

| Sr. No. | Particulars  | Note No. | Year Ended<br>31st March, 2020<br>Rs. | Year Ended<br>31st March, 2019<br>Rs. |
|---------|--|----------|---------------------------------------|---------------------------------------|
| I       | Revenue from Operations  | 19       | 435,094,110                           | 422,864,576                           |
| II      | Other Income   | 20       | 524,533                               | 1,863,064                             |
| III     | Total Income (I+II)  |          | <b>435,618,643</b>                    | <b>424,727,640</b>                    |
| IV      | <b>Expenses</b>  |          |                                       |                                       |
|         | Purchases of Stock-in-Trade  |          | 417,685,126                           | 403,755,945                           |
|         | Changes in Inventories of Finished goods, Stock-in-Trade and Work-in-progress  | 21       | 3,712,957                             | 2,192,785                             |
|         | Employee Benefits Expense  | 22       | 2,096,923                             | 2,153,031                             |
|         | Finance Costs  | 23       | 3,285,834                             | 6,921,534                             |
|         | Depreciation and Amortization Expense  | 4        | 2,274,076                             | 2,310,406                             |
|         | Other Expenses   | 24       | 4,598,953                             | 4,751,355                             |
|         | Total Expenses (IV)  |          | <b>433,653,869</b>                    | <b>422,085,056</b>                    |
| V       | Profit before tax ( III- IV )  |          | <b>1,964,774</b>                      | <b>2,642,584</b>                      |
| VI      | Tax expense :  |          |                                       |                                       |
|         | (1) Current Tax  | 25       | 618,080                               | 724,729                               |
|         | (2) Deferred Tax   |          | (103,838)                             | 420,803                               |
|         | (3)Short/(Excess) Provision written back   |          | 94,695                                |                                       |
| VII     | Profit for the period (V -VI)  |          | <b>1,355,837</b>                      | <b>1,497,052</b>                      |
| VIII    | Other Comprehensive Income   |          |                                       |                                       |
|         | A (i) Items that will not be reclassified to profit or loss  |          | (104,800)                             | (236,000)                             |
|         | (ii) Income tax relating to items that will not be reclassified to profit or loss  |          | 27,248                                | 63,366                                |
|         | 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)  |          | <b>(77,552)</b>                       | <b>(172,634)</b>                      |
| IX      | Total Comprehensive Income for the period (VII + VIII) (Comprising Profit and Other Comprehensive Income for the period) |          | <b>1,278,285</b>                      | <b>1,324,418</b>                      |
| X       | Earnings per equity share (Face Value of ` 10/- each)<br>Basic & Diluted   | 26       | 0.26                                  | 0.28                                  |

The accompanying Notes 1 to 31 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: 24.06.2020

Leena Vijayan  
Director  
(DIN - 08551144)  
Place: Ahmedabad  
Date: 24.06.2020

Sonali Panchal  
Company Secretary  
AWBPP2990D

# SHREE METALLOYS LIMITED

CIN : L67120GJ1994PLC023471

## Cash Flow Statement for the year ended 31st March,2020

|           | Particulars   | For the year ended<br>31st March, 2020 Rs. | For the year ended<br>31st March, 2019 Rs. |
|-----------|---|--|--|
| <b>A.</b> | <b>CASH FLOW FROM OPERATING ACTIVITIES</b>                            |  |  |
|           | <b>Net Profit Before Tax</b>  | <b>1,964,774</b>                           | <b>2,642,584</b>                           |
|           | Adjustment for  |  |  |
|           | <b>Add :</b>  |  |  |
|           | Interest and Finance Charges  | 240,000                                    | 180,000                                    |
|           | Depreciation  | 2,274,076                                  | 2,310,406                                  |
|           | <b>Less:</b>  |  |  |
|           | Profit on sale of Property, Plant and Equipment                       | -  | (1,281,852)                                |
|           |   | <b>2,514,076</b>                           | <b>1,208,554</b>                           |
|           | <b>Operating Profit Before Working Capital Changes</b>                | <b>4,478,850</b>                           | <b>3,851,138</b>                           |
|           | <b>(Increase) / Decrease in Current Assets</b>                        |  |  |
|           | Trade and Other Receivables   | 59,931,603                                 | (39,933,990)                               |
|           | Inventories   | 3,712,957                                  | 2,192,786                                  |
|           | Loans and advances  | 30,987,889                                 | 25,384,192                                 |
|           | <b>Increase / (Decrease) in Current Liabilities</b>                   |  |  |
|           | Trade and Other Payables  | (23,585,587)                               | 18,385,895                                 |
|           | Other current Liabilities   |  |  |
|           | <b>Cash Generated From Operations</b>                                 |  |  |
|           | Direct Taxes Paid   |  | -  |
|           | <b>NET CASH INFLOW / (OUTFLOW) FROM OPERATING ACTIVITIES (A)</b>      | <b>75,525,712</b>                          | <b>9,880,021</b>                           |
| <b>B.</b> | <b>CASH FLOW FROM INVESTING ACTIVITIES</b>                            |  |  |
|           | Purchase of Property, Plant and Equipment                             | (70,999)                                   | (2,981,819)                                |
|           | Proceeds from Property, Plant and Equipment                           | -  | 2,539,670                                  |
|           | Increase/Decrease in deposits   | -  | 1,626,850                                  |
|           | <b>NET CASH INFLOW / (OUTFLOW ) FROM INVESTING ACTIVITIES (B)</b>     | <b>(70,999)</b>                            | <b>1,184,701</b>                           |
| <b>C.</b> | <b>CASH FLOW USED IN FINANCING ACTIVITIES</b>                         |  |  |
|           | Proceeds from Long Term Borrowings                                    | -  | 1,281,415                                  |
|           | Repayment of long Term Borrowings                                     | (373,812)                                  | -  |
|           | Proceeds from Short Term Borrowings                                   | 553,455,336                                | 507,855,034                                |
|           | Repayment of Short Term Borrowings                                    | (615,053,058)                              | (512,239,702)                              |
|           | Interest and Finance Charges paid                                     | (240,000)                                  | (180,000)                                  |
|           | <b>NET CASH INFLOW / (OUTFLOW ) FROM FINANCING ACTIVITIES (C)</b>     | <b>(62,211,534)</b>                        | <b>(3,283,253)</b>                         |
|           | <b>Net Increase / (Decrease) in Cash and Cash Equivalents (A+B+C)</b> | <b>13,243,179</b>                          | <b>7,781,469</b>                           |
|           | <b>Add : Cash and Cash Equivalents balance as at 1st April</b>        | <b>8,462,727</b>                           | <b>681,258</b>                             |
|           | <b>Cash and Cash Equivalents as at 31st March</b>                     | <b>21,705,906</b>                          | <b>8,462,727</b>                           |

**The accompanying Notes 1 to 31 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: 24.06.2020

Leena Vijayan  
Director  
(DIN - 08551144)  
Place: Ahmedabad  
Date: 24.06.2020

Sonali Panchal  
Company Secretary  
AWBPP2990D

# Notes to the Financial Statements for the year ended 31st March, 2020

## 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 categorised 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 cashflows 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.

# SHREE METALLOYS LIMITED

CIN : L67120GJ1994PLC023471

## Statement of changes in Equity for the year ended 31st March, 2020

### A. EQUITY SHARE CAPITAL

In Rs.

| Particulars                    | Amount     |
|--------------------------------|------------|
| Balance as at 1st April, 2018  | 52,563,000 |
| Changes during the year        | -          |
| Balance as at 31st March, 2019 | 52,563,000 |
| Changes during the year        | -          |
| Balance as at 31st March, 2020 | 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, 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 |
| Balance as at 1st April, 2019             | 16,391,922           | (39,820)                   | 16,352,102 |
| Profit for the year                       | 1,355,837            | -                          | 1,355,837  |
| Fair value of Investments                 | -                    | (104,800)                  | (104,800)  |
| Deferred tax on Fair Value of Investments | -                    | 27,248                     | 27,248     |
| Balance as at 31st March, 2020            | 17,747,759           | (117,372)                  | 17,630,387 |

The accompanying Notes 1 to 31 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: 24.06.2020

For and on behalf of the Board of Directors,

Pratik Kabra  
Managing Director  
(DIN - 00006358)

Nimish Bavishi  
Chief Financial Officer

Leena Vijayan  
Director  
(DIN - 08551144)  
Place: Ahmedabad  
Date: 24.06.2020

Sonali Panchal  
Company Secretary  
AWBPP2990D

# Shree Metalloys Limited

CIN : L67120GJ1994PLC023471

## Notes to the Financial Statements as at 31st March, 2020

### Note - 4 Property, Plant and Equipment

(Amount in Rs. )

| Sr. No. | Particulars                   | Building         | Plant and Equipments | Vehicles         | Office Equipments | Computers      | TOTAL             |
|---------|-------------------------------|------------------|----------------------|------------------|-------------------|----------------|-------------------|
| 1       | Cost of Assets                |                  |                      |                  |                   |                |                   |
|         | As at 1st April, 2018         | 2,733,831        | 23,353,694           | 1,441,406        | 235,675           | 302,426        | 28,067,032        |
|         | Addition                      |                  | 768,850              | 2,212,969        |                   |                | 2,981,819         |
|         | Disposal / Adjustments        |                  | 1,257,818            |                  |                   |                | 1,257,818         |
|         | <b>As at 31st March, 2019</b> | <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> |
|         | Addition                      |                  | 62,000               |                  | 8,999             |                | 70,999            |
|         | Disposal / Adjustments        | -                |                      |                  | -                 | -              | -                 |
|         | <b>As at 31st March 2020</b>  | <b>2,733,831</b> | <b>22,926,726</b>    | <b>3,654,375</b> | <b>244,674</b>    | <b>302,426</b> | <b>29,862,032</b> |
| 2       | Depreciation                  |                  |                      |                  |                   |                |                   |
|         | As at 1st April, 2018         | 391,535          | 7,554,843            | 1,424,950        | 128,262           | 292,522        | 9,792,112         |
|         | Charge for the year           | 103,677          | 1,951,411            | 240,611          | 14,707            | -              | 2,310,406         |
|         | Disposal / Adjustments        |                  |                      |                  |                   |                |                   |
|         | <b>As at 31st March, 2019</b> | <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> |
|         | Charge for the period         | 103,677          | 1,888,698            | 266,842          | 14,859            | -              | 2,274,076         |
|         | Disposal / Adjustments        |                  |                      |                  |                   |                |                   |
|         | <b>As at 31st March 2020</b>  | <b>598,889</b>   | <b>11,394,952</b>    | <b>1,932,403</b> | <b>157,828</b>    | <b>292,522</b> | <b>14,376,594</b> |
| 3       | Net Block                     |                  |                      |                  |                   |                |                   |
|         | As at 1st April, 2018         | 2,342,296        | 15,798,851           | 16,456           | 107,413           | 9,904          | 18,274,920        |
|         | As at 31st March, 2019        | 2,238,619        | 13,358,472           | 1,988,814        | 92,706            | 9,904          | 17,688,515        |
|         | As at 31st March 2020         | 2,134,942        | 11,531,774           | 1,721,972        | 86,846            | 9,904          | 15,485,438        |

**Note - 5 Investment**

| 0GJ1994 | Particulars  | As at<br>31st<br>March, 2020<br>Rs | As at<br>31st March,<br>2019<br>Rs |
|---------|--|------------------------------------|------------------------------------|
|         | <b>Non current Investments</b>   |                                    |                                    |
| A       | <u>Investments in Equity Instruments ( Valued at Fair Value through OCI)</u>   |                                    |                                    |
| 1       | <u>Fully paid Equity Shares: (Quoted)</u>  |                                    |                                    |
| a)      | 800 Equity Shares of Riddhi Siddhi Gluco Biols Ltd of Rs. 10 each<br>(31st March, 2017 800 Equity Shares) (1st April, 2016 800 Equity Shares)                                    | 159,200                            | 264,000                            |
| 2       | <u>Fully paid Equity Shares: (Unquoted)</u>  |                                    |                                    |
| a)      | 8500 equity shares of Advance Bio Coal (India) Ltd. Of Rs. 10 each<br>(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<br>(31st March, 2017 35000 Equity Shares) (1st April, 2016 35000 Equity Shares) | -                                  | -                                  |
| c)      | 26600 equity shares of Zora Pharma Ltd of Rs. 10 each<br>(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<br>(31st March, 2017 500 Equity Shares) (1st April, 2016 500 Equity Shares)                              | -                                  | -                                  |
|         | <b>Total</b>   | <b>159,200</b>                     | <b>264,000</b>                     |
|         | Aggregate Cost of Quoted Investments   | 17,044                             | 17,044                             |
|         | Aggregate Market Value of Quoted Investments   | 159,200                            | 264,000                            |
|         | Aggregate Cost of Unquoted Investments   | 1,285,250                          | 1,285,250                          |

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

| Sr. No. | Particulars                                 | As at<br>31st<br>March, 2020<br>Rs | As at<br>31st March,<br>2019<br>Rs |
|---------|---|------------------------------------|------------------------------------|
| 1       | <b>Advances other than Capital Advances</b> |                                    |                                    |
|         | Security Deposits                           | 793,638                            | 793,638                            |
|         | <b>Total</b>                                | <b>793,638</b>                     | <b>793,638</b>                     |

**Note - 7 Inventories**

| Sr. No. | Particulars  | As at<br>31st<br>March, 2020<br>Rs | As at<br>31st March,<br>2019<br>Rs |
|---------|--|------------------------------------|------------------------------------|
|         | As taken, valued & certified by the management<br>At lower of cost or net realisable value |                                    |                                    |
|         | Stock in trade   | 3,742,277                          | 7,455,234                          |
|         | <b>Total</b>   | <b>3,742,277</b>                   | <b>7,455,234</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<br>31st<br>March, 2020<br>Rs | As at<br>31st March,<br>2019<br>Rs |
|---------|--|------------------------------------|------------------------------------|
| 1       | <b>Unsecured , Considered Good</b>       |                                    |                                    |
|         | (a) Outstanding for more than six months | -                                  | -                                  |
|         | (b) Others                               | 35,911,110                         | 82,540,856                         |
|         | <b>Total</b>                             | <b>35,911,110</b>                  | <b>82,540,856</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<br>31st<br>March, 2020<br>Rs | As at<br>31st March,<br>2019<br>Rs |
|---------|---------------------|------------------------------------|------------------------------------|
| 1       | Cash on Hand        | 297,764                            | 401,979                            |
| 2       | Balances with Banks | 21,408,142                         | 8,060,748                          |
|         | <b>Total</b>        | <b>21,705,906</b>                  | <b>8,462,727</b>                   |

**Note - 10 Other Bank Balances**

| Sr. No. | Particulars                      | As at<br>31st<br>March, 2020<br>Rs | As at<br>31st March,<br>2019<br>Rs |
|---------|----------------------------------|------------------------------------|------------------------------------|
| 1       | <b>Fixed Deposits with Banks</b> |                                    |                                    |
|         | (a) Less than 12 months*         | -                                  | 2,522,500                          |
|         | <b>Total</b>                     | <b>-</b>                           | <b>2,522,500</b>                   |

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

**Note - 11 Other Current Assets**

| Sr. No. | Particulars                                 | As at<br>31st<br>March, 2020<br>Rs | As at<br>31st March,<br>2019<br>Rs |
|---------|---|------------------------------------|------------------------------------|
| 1       | <b>Advances other than capital advances</b> |                                    |                                    |
|         | (a) Security Deposits                       |                                    |                                    |
|         | (b) Other Advances                          |                                    |                                    |
|         | (i) Balance with Government Authorities     | 468,579                            | 1,805,500                          |
|         | (ii) Advances to Suppliers                  | -                                  | 29,637,349                         |
|         | (iii) Prepaid Expenses                      | 89,313                             | 68,304                             |
| 2       | <b>Others</b>                               |                                    |                                    |
|         | Interest Accrued on Fixed Deposits          | -                                  | 31,630                             |
|         | Interest Accrued on Deposits                | 91,598                             | 91,598                             |
|         | Other Advance                               | 474,725                            | 477,723                            |
|         | <b>Total</b>                                | <b>1,124,215</b>                   | <b>32,112,104</b>                  |

**Note - 12 Equity Share Capital**

| Sr. No. | Particulars  | As at<br>31st<br>March, 2020<br>Rs | As at<br>31st March,<br>2019<br>Rs |
|---------|--|------------------------------------|------------------------------------|
| 1       | <b>AUTHORIZED SHARE CAPITAL</b><br>10000000 Equity Shares of Rs.10/- each<br>(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><br>5256300 Equity Shares of 10/- each<br>(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**

| Particulars |   | As at 31st March, 2020 |           | At 31st March, 2019 |
|-------------|---|------------------------|-----------|---------------------|
|             |   | No. of shares          | Rs.       | Rs.                 |
| Add:        | Shares outstanding at the beginning of the year | 5,256,300              | 5,256,300 | 52,563,000          |
|             | Shares issued during the year                   | -                      | -         | -                   |
|             | Shares outstanding at the end of the year       | 5,256,300              | 5,256,300 | 52,563,000          |

**Rights, preferences and restrictions attached to Equity**

**12.2 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

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

| Name of the shareholders | As at 31st March, 2020 |              | As at 31st March, 2019 |
|--------------------------|------------------------|--------------|------------------------|
|                          | No. of Shares          | % of holding | % of holding           |
| Radheshyam L Kabra       | 802,500                | 15.27%       | 15.27%                 |
| Girjaben R Kabra         | 536,300                | 10.20%       | 10.20%                 |
| Govindram Laluram Kabra  | 496,000                | 9.44%        | 9.44%                  |
| Pratik Radheshyam Kabra  | 439,419                | 8.36%        | 8.36%                  |
| Hansaben Govindram Kabra | 350,000                | 6.66%        | 6.66%                  |
| Dhwani Vishal Maheshwari | 424,913                | 8.08%        | 8.08%                  |
| Jinal Pratik Kabra       | 451,555                | 8.59%        | -                      |
| Ramprasad M Kabra        | 40,000                 | 0.76%        | -                      |
| Madhuben Ramprakash      | 100                    | 0.00%        | -                      |
| Neha Ramprakash Kabra    | 300,000                | 5.71%        | 5.71%                  |

**Note - 13 Other Equity**

| Sr. No.  | Particulars                                      | As at 31st March, 2020<br>Rs | As at 31st March, 2019<br>Rs |
|----------|--|------------------------------|------------------------------|
| <b>A</b> | <b><u>Retained Earnings</u></b>                  |                              |                              |
|          | Balance as per last Financial year               | 16,391,922                   | 14,894,870                   |
|          | Add : Profit for the year                        | 1,355,837                    | 1,497,052                    |
|          | <u>Adjustments as per Ind AS</u>                 |                              |                              |
|          | Fair Valuation of Investments                    | -                            | -                            |
|          | DTA created as per Fair Valuation of Investments | -                            | -                            |
|          |  | 17,747,759                   | 16,391,922                   |
| <b>B</b> | <b><u>Other Comprehensive Income</u></b>         |                              |                              |
|          | Balance as per last Financial year               | (39,820)                     | 132,814                      |
|          | Add/ (Less) :                                    |                              |                              |
|          | Fair value of Investments                        | (104,800)                    | (236,000)                    |
|          | Deferred tax on Fair Value of Investments        | 27,248                       | 63,366                       |
|          |  | (117,372)                    | (39,820)                     |
|          | <b>Total</b>                                     | <b>17,630,387</b>            | <b>16,352,102</b>            |

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

| Sr. No. | Particulars   | As at<br>31st<br>March, 2020<br>Rs | As at<br>31st March,<br>2019<br>Rs |
|---------|---|------------------------------------|------------------------------------|
| 1       | <b>DEFERRED TAX LIABILITIES :</b><br><br>Arising on account of timing difference<br>- Fixed Assets : Impact of difference between Tax<br>Depreciation and<br>Depreciation / amortization charged for the financial<br>reporting<br>TOTAL DEFERRED TAX LIABILITIES ( A ) | 1,122,220<br><b>1,122,220</b>      | 1,226,057<br><b>1,226,057</b>      |
| 2       | Less :<br><b>DEFERRED TAX ASSETS :</b><br><br>Arising on account of timing difference<br>- Fair Valuation of Equity Instruments<br>- MAT Credit Entitlement<br>TOTAL DEFERRED TAX ASSETS ( B )  | 297,204<br>-<br>297,204            | 269,956<br>-<br>269,956            |
|         | <b>Total (A-B)</b>  | <b>825,016</b>                     | <b>956,101</b>                     |

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

| Particulars   | March, 2020    | 31st March, 2019 |
|---|----------------|------------------|
| <b>Opening balance</b>  | 639,978        | 282,540          |
| Tax (income)/expense during the period recognised in profit or loss             | (103,838)      | 420,804          |
| Tax (income)/expense during the period recognised in other comprehensive income | 27,248         | (63,366)         |
| Tax (income)/expense during the period recognised directly in other equity      | -              | -                |
| <b>Closing balance</b>  | <b>563,388</b> | <b>639,978</b>   |

**14.2 Movements in DTA:**

| Particulars                            | Fair<br>Valuation of<br>Equity | MAT credit<br>Entitlement |
|--|--------------------------------|---------------------------|
| <b>At 1st April 2018</b>               | <b>206,591</b>                 | <b>427,764</b>            |
| charged/credited:<br>to Profit or Loss | -                              | -                         |
| to other comprehensive income          | 63,366                         | -                         |
| <b>At 31st March 2019</b>              | <b>269,957</b>                 | <b>427,764</b>            |
| charged/credited:<br>to Profit or Loss | -                              | -                         |
| to other comprehensive income          | (27,248)                       | -                         |
| <b>At 31st March 2020</b>              | <b>297,204</b>                 | <b>427,764</b>            |

**14.3 Movements in DTL:**

| Particulars                   | Assets :<br>Impact of<br>difference<br>between<br>Tax<br>Depreciation<br>and<br>Depreciation<br>/<br>amortization<br>charged for<br>the financial<br>reporting | Total            |
|-------------------------------|--|------------------|
| <b>At 1st April, 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> |
| charged/credited:             |  |                  |
| to Profit or Loss             | (103,838)  | (103,838)        |
| to other comprehensive income |  |                  |
| <b>At 31st March, 2020</b>    | <b>1,122,220</b>   | <b>1,122,219</b> |

**Note - 15 Borrowings**

| Sr. No. | Particulars                   | As at<br>31st<br>March, 2020<br>Rs | As at<br>31st March,<br>2019<br>Rs |
|---------|-------------------------------|------------------------------------|------------------------------------|
|         | <b>Non Current borrowings</b> |                                    |                                    |
|         | (a) From Banks                | 907,603                            | 1,281,415                          |
|         |                               | 907,603                            | 1,281,415                          |
|         | <b>Current borrowings</b>     |                                    |                                    |
|         | (a) From Banks *              | -                                  | 50,818,365                         |
|         |                               | -                                  | 50,818,365                         |
|         | <b>Total</b>                  | <b>907,603</b>                     | <b>52,099,780</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<br>31st<br>March, 2020 | As at 31st<br>March, 2019 |
|------|---|------------------------------|---------------------------|
|      | <b>Secured borrowings</b>                 |                              |                           |
|      | Punjab National Bank Working Capital Loan | -                            | 50,818,365                |
|      | <b>Total</b>                              | <b>-</b>                     | <b>50,818,365</b>         |

**Note - 16 Trade Payable**

| Sr. No. | Particulars                                     | As at<br>31st<br>March, 2020<br>Rs | As at<br>31st March,<br>2019<br>Rs |
|---------|---|------------------------------------|------------------------------------|
|         | Other than Micro, Small and Medium Enterprises* | 5,547,643                          | 20,280,266                         |
|         | <b>Total</b>                                    | <b>5,547,643</b>                   | <b>20,280,266</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

**Note - 17 Other Current Liabilities**

| Sr. No. | Particulars                           | As at<br>31st<br>March, 2020<br>Rs | As at<br>31st March,<br>2019<br>Rs |
|---------|---------------------------------------|------------------------------------|------------------------------------|
| 1       | Revenue received in Advance           | -                                  | 8,800,000                          |
| 2       | Current maturities of Long Term Debts | 380,082                            | 348,637                            |
| 3       | Other Payables*                       | 159,599                            | 252,058                            |
|         | <b>Total</b>                          | <b>539,681</b>                     | <b>9,400,695</b>                   |

\* Includes Statutory Dues

**Note - 18 Provisions**

| Sr. No. | Particulars                                    | As at<br>31st<br>March, 2020<br>Rs | As at<br>31st March,<br>2019<br>Rs |
|---------|--|------------------------------------|------------------------------------|
| 1       | Provision for Expenses                         | 244,668                            | 187,630                            |
| 2       | Provision for Income Tax ( Net of Advance Tax) | 663,786                            | -                                  |
|         | <b>Total</b>                                   | <b>908,454</b>                     | <b>187,630</b>                     |

**Note: 19 Revenue from Operations**

| Sr. No | PARTICULARS                               | As at<br>31st<br>March, 2020<br>Rs. | As at<br>31st March,<br>2019<br>Rs. |
|--------|---|-------------------------------------|-------------------------------------|
|        | <b>Sales of Product</b><br>Domestic Sales | 435,094,110                         | 422,864,576                         |
|        | <b>Total</b>                              | <b>435,094,110</b>                  | <b>422,864,576</b>                  |

**Note: 20 Other Income**

| Sr. No | PARTICULARS                         | As at<br>31st<br>March, 2020<br>Rs. | As at<br>31st March,<br>2019<br>Rs. |
|--------|-------------------------------------|-------------------------------------|-------------------------------------|
|        | Interest Income                     | 199,955                             | 170,668                             |
|        | <b>Other Non Operating Income :</b> |                                     |                                     |
|        | Gain on Exchange Rate Fluctuation   | 98,263                              | -                                   |
|        | Other Income                        | 226,315                             | 1,692,396                           |
|        | <b>Total</b>                        | <b>524,533</b>                      | <b>1,863,064</b>                    |

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

| Sr. No | PARTICULARS        | As at<br>31st<br>March, 2020<br>Rs. | As at<br>31st March,<br>2019<br>Rs. |
|--------|--------------------|-------------------------------------|-------------------------------------|
|        | Opening Stock      |                                     |                                     |
|        | Stock-in-Trade     | 7,455,234                           | 9,648,019                           |
|        | <b>Total ( A )</b> | <b>7,455,234</b>                    | <b>9,648,019</b>                    |
|        | Closing Stock      |                                     |                                     |
|        | Stock-in-Trade     | 3,742,277                           | 7,455,234                           |
|        | <b>Total ( B )</b> | <b>3,742,277</b>                    | <b>7,455,234</b>                    |
|        | <b>Total (A-B)</b> | <b>3,712,957</b>                    | <b>2,192,785</b>                    |

**Note: 22 Employee Benefits Expense**

| Sr. No | PARTICULARS    | As at<br>31st<br>March, 2020<br>Rs. | As at<br>31st March,<br>2019<br>Rs. |
|--------|----------------|-------------------------------------|-------------------------------------|
|        | Salary & Wages | 2,096,923                           | 2,153,031                           |
|        | <b>Total</b>   | <b>2,096,923</b>                    | <b>2,153,031</b>                    |

**Note: 23 Finance Costs**

| Sr. No | PARTICULARS        | As at<br>31st<br>March, 2020<br>Rs. | As at<br>31st March,<br>2019<br>Rs. |
|--------|--------------------|-------------------------------------|-------------------------------------|
|        | Interest Expense   | 3,045,834                           | 6,741,534                           |
|        | Processing Charges | 240,000                             | 180,000                             |
|        | <b>Total</b>       | <b>3,285,834</b>                    | <b>6,921,534</b>                    |

**Note: 24 Other Expenses**

| Sr. No | PARTICULARS                       | As at<br>31st<br>March, 2020<br>Rs. | As at<br>31st March,<br>2019<br>Rs. |
|--------|-----------------------------------|-------------------------------------|-------------------------------------|
| 1      | <b>Administrative Expense</b>     |                                     |                                     |
|        | Repair & Maintenance              | 35,609                              | 45,185                              |
|        | Clearing and Forwarding           | 97,541                              | 190,013                             |
|        | Electricity Expense               | 547,898                             | 575,188                             |
|        | Custom duty                       | 335,549                             | 527,718                             |
|        | -As Auditor                       |                                     |                                     |
|        | Statutory Audit Fees              | 30,000                              | 30,000                              |
|        | Tax auditor                       | 15,000                              | 15,000                              |
|        | Others                            | 30,000                              |                                     |
|        | Labour charges                    | 434,001                             | 516,400                             |
|        | Rent Expense                      | 721,740                             | 715,160                             |
|        | Insurance Expenses                | 76,887                              | 80,417                              |
|        | Fees & Taxes                      | 375,800                             | 299,800                             |
|        | Water charges                     | 86,199                              | 106,341                             |
|        | Legal Expense                     | 367,767                             | 550,372                             |
|        | Telephone Expenses                | 15,073                              | 13,131                              |
|        | Printing and Stationary           | 16,730                              | 17,530                              |
|        | Transportation Charges            | 645,007                             | 177,836                             |
|        | Membership fees                   | 19,440                              | 20,000                              |
|        | Loading and Unloading             | 700                                 | 9,100                               |
|        | Business Promotion                | 49,952                              | 56,310                              |
|        | Petrol Expenses                   | 95,598                              | 15,370                              |
|        | General Consumables               | 3,800                               | 23,700                              |
|        | Refreshment Expenses              | 68,902                              | 92,179                              |
|        | Loss on Exchange Rate Fluctuation | -                                   | 320,416                             |
|        | Computer Expense                  | 9,876                               | 17,180                              |
|        | Interest and Penalties            | -                                   | 461                                 |
|        | Miscellaneous expenses            | 28,482                              | 39,634                              |
|        | LC Charges                        | 379,259                             | 178,772                             |
|        | Bank Charges                      | 25,672                              | 88,762                              |
|        | Software expense                  | 9,257                               | -                                   |
|        | Packing and forwarding charges    | 40,400                              | -                                   |
|        | Warehouse charges                 | 11,000                              | -                                   |
|        |                                   | <b>4,573,139</b>                    | <b>4,721,975</b>                    |
| 2      | <b>Selling &amp; Distribution</b> |                                     |                                     |
|        | Website Expense                   | 25,814                              | 29,380                              |
|        |                                   | <b>25,814</b>                       | <b>29,380</b>                       |
|        |                                   |                                     |                                     |
|        | <b>Total</b>                      | <b>4,598,953</b>                    | <b>4,751,355</b>                    |

**Note - 25 Current Tax**

| Sr. No | PARTICULARS  | As at<br>31st<br>March, 2020<br>Rs. | As at<br>31st March,<br>2019<br>Rs. |
|--------|--------------|-------------------------------------|-------------------------------------|
| 1      | Current Tax  | 618,080                             | 724,729                             |
|        | <b>Total</b> | <b>618,080</b>                      | <b>724,729</b>                      |

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

| Particulars  | 31st March,<br>2020 | 31st<br>March,2019 |
|--|---------------------|--------------------|
| <b>Accounting profit before tax from continuing operations</b>         |                     |                    |
| <b>Accounting profit before income tax</b>                             | <b>1,964,774</b>    | <b>2,642,584</b>   |
| At India's statutory income tax rate                                   | 510,841             | 687,072            |
| Non-Deductible expenses for tax purposes                               | 545,921             | 914,504            |
| Deductible expenses for tax purposes                                   | (487,422)           | (567,684)          |
| Others   | -                   | 111,641            |
| <b>Income tax expense reported in the statement of profit and loss</b> | <b>569,340</b>      | <b>1,145,533</b>   |

**Note - 26. Earning Per Share**

| Sr. No | PARTICULARS   | Year Ended<br>31st March,<br>2020<br>Rs. | Year Ended<br>31st March,<br>2019<br>Rs. |
|--------|---|--|--|
| 1      | Net Profit attributable to the Equity Shareholders<br>(A)                     | 1,355,837                                | 1,497,052                                |
| 2      | Weighted average number of Equity Shares outstanding<br>during the period (B) | 5,256,300                                | 5,256,300                                |
| 3      | Nominal value of Equity Shares (Rs.)  | 10                                       | 10                                       |
| 4      | Basic/Diluted Earnings per Share (Rs.)<br>(A/B)                               | 0.26                                     | 0.28                                     |

**Note - 27 Related party disclosures**

**(A) Key management personnel (KMP):**

| Sr. No. | Name              | Designation                |
|---------|-------------------|----------------------------|
| 1       | Pratik R Kabra    | Managing Director          |
| 2       | Govindlal M Dudan | Director                   |
| 3       | Leena Vijayan     | Independent Woman Director |
| 4       | Tagaram Chowdhary | Independent Director       |
| 5       | Sonali Panchal    | 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, 2020:**

In Rs.

| Sr. No. | Nature of Transaction                                      | Key management personnel | Other related parties |
|---------|--|--------------------------|-----------------------|
| 1       | Revenue from operations (Previous Year)                    | -                        | 1,26,81,240           |
|         |  | -                        | (2,41,02,020)         |
| 2       | Rent Expenses (Previous Year)                              | 4,20,000<br>(4,20,000)   | -                     |
| 3       | Sale of Machinery (Previous Year)                          | -                        | -                     |
|         |  | -                        | (25,39,671)           |
| 4       | Salary, Bonus and Perquisites (Previous Year)              | -                        | -                     |
|         |  | (1,52,500)               | -                     |
|         | Total  | 4,20,000                 | 1,26,81,240           |
|         | (Previous Year)  | (5,72,500)               | (2,66,41,691)         |
|         | Amount receivable at the year end (As at 31st March, 2019) | -                        | -                     |
|         | Amount payable at the year end (As at 31st March, 2019)    | -                        | -                     |

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

In Rs.

| Sr.No. | Particulars                   | Related Parties          | Year ended 31st March, 2020 | Year ended 31st March, 2019 |
|--------|-------------------------------|--------------------------|-----------------------------|-----------------------------|
| 1      | Revenue from Operations       | Shree Extrusion Ltd      | 58,36,256                   | 96,38,337                   |
|        |                               | Metal Alloys Corporation | 68,44,984                   | 1,44,63,683                 |
| 2      | Salary, Bonus and Perquisites | Govindlal Dudhani        |                             | 1,52,500                    |
| 3      | Rent Expenses                 | Pratik Kabra             | 4,20,000                    | 4,20,000                    |
| 4      | Sale of Machinery             | Shree Extrusion Ltd      | -                           | 25,39,671                   |

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

In Rs.

| Sr. No. | Particulars                  | Key management personnel | Year ended 31st March, 2020 | Year ended 31st March, 2019 |
|---------|------------------------------|--------------------------|-----------------------------|-----------------------------|
| 1       | Short-term employee benefits | Govindlal Dudhani        | -                           | 1,52,500                    |
|         | <b>Total</b>                 |                          | -                           | <b>1,52,500</b>             |

**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 Alluminiums Pvt.Ltd.   | 25.09%                        |
| 2       | Talin International Pvt.Ltd.    | 24.16%                        |
| 3       | Apollo Metachem Pvt Ltd-Trading | 19.56%                        |
| 4       | Ramdev Sales Corporation        | 17.49%                        |
|         | <b>Total</b>                    | <b>86.30%</b>                 |

**(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

| PARTICULARS                            | Year Ended<br>31st March, 2020<br>Rs. | Year Ended<br>31st March,<br>2019<br>Rs |
|--|---------------------------------------|---|
| <b>Revenue</b>                         |                                       |   |
| <b>Revenue from External Customers</b> |                                       |   |
| India                                  | 43,50,94,110                          | 42,28,64,576                            |
| Other countries                        | -                                     | -                                       |

**Non current assets**

| PARTICULARS     | As at<br>31st March, 2020<br>Rs. | As at<br>31st March,<br>2019<br>Rs |
|-----------------|----------------------------------|------------------------------------|
| India           | 1,62,79,076                      | 1,84,82,153                        |
| Other Countries | -                                | -                                  |

**(A) Break-up of Revenues**

| PARTICULARS             | Year Ended<br>31st March, 2020<br>Rs. | Year Ended<br>31st March,<br>2019<br>Rs |
|-------------------------|---------------------------------------|---|
| Revenue from operations | 43,50,94,110                          | 42,28,64,576                            |
| Other income            | 5,24,533                              | 18,63,064                               |

**(B) Non Current Assets**

Non current assets Excludes financial instruments and deferred tax assets

**Note - 29****(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 cash and cash equivalents that derive

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

### 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

### (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

### (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, 2020<br>Rs. | As at 31st March, 2019<br>Rs. |
|---|-------------------------------|-------------------------------|
| Total Debt                              | 9,07,603                      | 5,20,99,780                   |
| <b>Adjusted net debt</b>                | <b>9,07,603</b>               | <b>5,20,99,780</b>            |
| Total Equity                            | 7,01,93,387                   | 6,89,15,102                   |
| <b>Equity</b>                           | <b>7,01,93,387</b>            | <b>6,89,15,102</b>            |
| <b>Total debt to total equity ratio</b> | <b>0.013</b>                  | <b>0.756</b>                  |

### Note - 30 Financial Instruments :

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

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            |      |                        |                                   |                       | In Rs.             |
|--------------------------------|------|------------------------|-----------------------------------|-----------------------|--------------------|
| Particulars                    | Note | Instruments carried at |                                   | Total carrying amount | Total Fair Value   |
|                                |      | Fair Value<br>FVTOCI   | Amortized cost<br>Carrying amount |                       |                    |
| <b>As at 31st March 2019</b>   |      |                        |                                   |                       |                    |
| Investments (Quoted)           | 5    | 2,64,000               | -                                 | 2,64,000              | 2,64,000           |
| Investments (Unquoted)         | 5    | -                      | -                                 | -                     | -                  |
| Trade receivables              | 8    | -                      | 8,25,40,856                       | 8,25,40,856           | 8,25,40,856        |
| Cash and cash equivalents      | 9    | -                      | 84,62,727                         | 84,62,727             | 84,62,727          |
| Bank balances other than above | 10   | -                      | -                                 | -                     | -                  |
| <b>Total</b>                   |      | <b>2,64,000</b>        | <b>9,10,03,583</b>                | <b>9,12,67,583</b>    | <b>9,12,67,583</b> |
| <b>As at 31st March 2020</b>   |      |                        |                                   |                       |                    |
| Investments (Quoted)           | 5    | 1,59,200               | -                                 | 1,59,200              | 1,59,200           |
| Investments (Unquoted)         | 5    | -                      | -                                 | -                     | -                  |
| Trade receivables              | 8    | -                      | 3,59,11,110                       | 3,59,11,110           | 3,59,11,110        |
| Cash and cash equivalents      | 9    | -                      | 2,17,05,906                       | 2,17,05,906           | 2,17,05,906        |
| Bank balances other than above | 10   | -                      | -                                 | -                     | -                  |
| <b>Total</b>                   |      | <b>1,59,200.00</b>     | <b>5,76,17,016</b>                | <b>5,77,76,216</b>    | <b>5,77,76,216</b> |
| B. Financial liabilities :     |      |                        |                                   |                       | In Rs.             |
| Particulars                    | Note | Instruments carried at |                                   | Total carrying amount | Total Fair Value   |
|                                |      | Fair Value<br>FVTPL    | Amortized cost<br>Carrying amount |                       |                    |
| <b>As at 31st March 2019</b>   |      |                        |                                   |                       |                    |
| Borrowings                     | 15   | -                      | 5,20,99,780                       | 5,20,99,780           | 5,20,99,780        |
| Trade payables                 | 16   | -                      | 2,02,80,266                       | 2,02,80,266           | 2,02,80,266        |
|                                |      |                        | <b>7,23,80,046</b>                | <b>7,23,80,046</b>    | <b>7,23,80,046</b> |
| <b>As at 31st March 2020</b>   |      |                        |                                   |                       |                    |
| Borrowings                     | 15   | -                      | 9,07,603                          | 9,07,603              | 9,07,603           |
| Trade payables                 | 16   | -                      | 55,47,643                         | 55,47,643             | 55,47,643          |
| <b>Total</b>                   |      |                        | <b>64,55,246</b>                  | <b>64,55,246</b>      | <b>64,55,246</b>   |

### Note - 31

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