



Date: 04/08/2020

To,
National Stock Exchange of India Limited
Exchange Plaza,
Plot no. C/1, G Block,
Bandra Kurla Complex
Bandra (East),
Mumbai - 400 051

Dear Sir/Madam,


Subject: Annual Report FY 2019-20
Symbol: SAGARDEEP

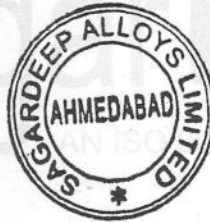
Pursuant to Regulation 34(1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we hereby enclose the Annual Report for FY 2019-20 which is being sent to the members through electronic mode. The same is also uploaded on the website of the Company at www.sdalloys.com.

Kindly take the same in your record.

Thanking you,

Yours faithfully,
For, Sagardeep Alloys Limited


SATISHKUMAR MEHTA
Managing Director
(DIN: - 01958984)



ANNUAL REPORT
2019-20

SAGARDEEP ALLOYS LIMITED



OUR MISSION & VISION

Mission:



To provide world class and high quality products to our consumers by incorporating efficient process and strict quality controls measures in our manufacturing operations and by far exceed the expectations of our consumers by providing excellent customer service.

Vision:



To effectively identify and meet the requirements of our consumer base and deliver high quality products in time. Our efforts are directed at remaining leader in the industry supported by cutting edge technology, modern equipments and high end processes and quality control measures.

OUR PRODUCT RANGE



COPPER PRODUCTS :

Copper Pipes & Tubes, Copper Flats, Copper Coils, Copper Rod, Copper Anodes / Nuggets, Copper Plates, Oxygen Free Copper.



BRASS PRODUCTS

Gilding Metal, Commercial Bronze, Red Brass, Low Brass, Cartridge Brass, Yellow Brass, Muntz Metal



CUPRO NICKEL PRODUCTS

Cupro Nickel Tubes, Cupro Nickel Pipe, Cupro Nickel Rods



STAINLESS STEEL PRODUCTS

Stainless Steel Scrap Grades, Stainless Steel Pipes, Stainless Steel Tubes, Stainless Steel Sheets / Plates, Stainless Steel Coils, Stainless Steel Bars

CHAIRMAN'S MESSAGE

Dear Shareholders,

We have undertaken several strategic initiatives to drive improvement across operating parameters and create a more efficient and sustainable business framework. Focusing on growth investments, while rationalizing cost structures. Growth has been broad-based across key segments, triggering the multiple demand drivers that underpin our multi-faceted business. The trend this year is once again looking positive.

The Technology driven solutions and re-engineering of its business and processes would have stress on current year's performances to achieve long term sustainable market penetration and market share improvements.

On behalf of the Board, I would like to thank all our stakeholders including shareholders, investors, bankers, creditors and employees for their continued support. I would like to express my sincere gratitude to all the members of our Board for their continued insights and invaluable guidance as we explore new opportunities and move ahead with confidence.

Warm regards,

SATISHKUMAR ASAMAL MEHTA

Chairman & Managing Director

CORPORATE INFORMATION

Board of Directors

Mr. Satishkumar Asamal Mehta

Chairman & Managing Director

(Din: 01958984)

Mr. Jayeshkumar Ashmal Mehta

Whole-Time Director

(Din: 02156140)

Mr. Hemendra Bhailal Patel

Independent Director

(Din: 01827562)

Mrs. Vinita Pankaj Maheshwari

Independent Director

(Din: 07187365)

Mr. Jitendrakumar Dhanjibhai Patel

Independent Director

(Din: 07369309)

Mr. Parimal Patwa

Director

(DIN-00093852)

Chief Financial Officer

Mr. Krishnakant Somani

Company Secretary & Compliance Officer

Mr. Nayan Pitroda

Registered Office

Plot no. 2070, Rajnagar Patia, Santej

Khatraj Road, SantejKalol,

Gandhinagar -382721

Phone: 079- 25626304, 25626335

E- Mail: secretary@sdalloys.com,

investors@sdalloys.com

Website: www.sdalloys.com

Statutory Auditors

M/s. Piyush J Shah & Co

504-B, Shikhar Complex, Nr. Vadilal House,

Mithakali Six Roads, Navrangpura,

Ahmedabad-380009

Banker

Axis Bank Limited

Registrar & share Transfer Agent

Link Intime India Private Ltd

C-101, 247 Park, L.B.S. Marg, Vikhroli

(West), Mumbai – 400 083

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Note:

The Ministry of Corporate Affairs has taken a "Green Initiative in the Corporate Governance" by allowing paperless compliances by the companies and has issued circulars stating that service of notice / documents including Annual Report can be sent by e-mail to its members. To support this green initiative of the Government in full measure, members who have not registered their e-mail addresses, so far, are requested to register their e-mail addresses, in respects of electronic holding with the Depository through their concerned Depository Participants.

NOTICE

NOTICE is hereby given that the 13th (Thirteenth) Annual General Meeting of the Shareholders of Sagardeep Alloys Limited will be held on Thursday, 27th August, 2020 at 11.30 a.m. through Video Conferencing / Other Audio-Visual Means to transact the following businesses:

ORDINARY BUSINESS:

1. **To receive, consider and adopt**
 - a) **the audited Standalone Financial Statement of the Company for the financial year ended March 31, 2020 and the reports of the Board of Directors and Auditors thereon; and**
 - b) **the audited Consolidated Financial Statement of the Company for the financial year ended March 31, 2020 and the reports of the Auditors thereon.**
2. **To appoint a Director in place of Mr. Mehta Jayeshkumar Ashmal (DIN: 02156140), Director who retires by rotation and being eligible, offers himself for re-appointment.**

SPECIAL BUSINESS:

3. **Re-appointment of Mr. Patel Hemendrabhai Bhailal (DIN: 01827562) as an Independent Director.**

To consider and if thought fit, to pass with or without modification(s), the following resolution as a Special Resolution:

“RESOLVED THAT pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013(“the Act”) read with Schedule IV to the Act (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and the Companies (Appointment and Qualification of Directors) Rules, 2014, as amended from time to time, and pursuant to the recommendation of the Nomination & Remuneration Committee and the Board of Directors, Mr. Patel Hemendrabhai Bhailal (DIN: 01827562), who holds office of Independent Director up to 28th August, 2020 and

who has submitted a declaration that he meets the criteria for independence as provided under Section 149(6) of the Act and Regulation 16(1) (b) of the Securities Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015 and in respect of whom the Company has received a notice in writing under Section 160(1) of the Act from a Member, signifying his intention to propose, Mr. Patel Hemendrabhai Bhailal (DIN: 01827562) candidature for the office of Director, be and is hereby re-appointed as an Independent Director of the Company, not liable to retire by rotation, for a second term of five consecutive years commencing from 28th August, 2020 to 27th August, 2025.”

“RESOLVED FURTHER THAT the Board of Directors of the Company (including its committee thereof) of the Company, be and are hereby authorized to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this resolution.”

4. **Re-appointment of Mrs. Vinita Pankaj Maheshwari (DIN: 07187365) as an Independent Women Director.**

To consider and if thought fit, to pass with or without modification(s), the following resolution as a Special Resolution:

“RESOLVED THAT pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013(“the Act”) read with Schedule IV to the Act (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and the Companies (Appointment and Qualification of Directors) Rules, 2014, as amended from time to time, and pursuant to the recommendation of the Nomination & Remuneration Committee and the Board of Directors, Mrs. Vinita Pankaj Maheshwari (DIN: 07187365), who holds office of Independent Women Director up to 28th August, 2020 and who has submitted a declaration that he meets the criteria for independence as provided under Section 149(6) of the Act and Regulation

16(1) (b) of the Securities Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015 and in respect of whom the Company has received a notice in writing under Section 160(1) of the Act from a Member, signifying his intention to propose, Mrs. Vinita Pankaj Maheshwari (DIN: 07187365) candidature for the office of Director, be and is hereby re-appointed as an Independent Women Director of the Company, not liable to retire by rotation, for a second term of five consecutive years commencing from 28th August, 2020 to 27th August, 2025.”

“RESOLVED FURTHER THAT the Board of Directors of the Company (including its committee thereof) of the Company, be and are hereby authorized to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this resolution.”

Regd Office:

Plot No. 2070 , Rajnagar Patiya ,
SantejKhatrajRoad ,
SantejKalol,
Gandhinagar 382721

Date: 27/07/2020

Place: Santej

5. Appointment of Mr. Parimal Patwa (DIN-00093852) as a Director:

To consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Sections 149, 152 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) Mr. Parimal Patwa (DIN-00093852), who was appointed as Additional Director on May 22, 2020 and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director, be and is hereby appointed as Director of the Company liable to retire by rotation.

RESOLVED FURTHER THAT the Board of Directors of the Company (including its committee thereof), be and is hereby authorized to file necessary returns/forms to the Registrar of Companies and to do all such acts, deeds and things that may be necessary, proper, expedient or incidental for the purpose of giving effect to the aforesaid resolution.

**By Order of the Board of Directors
For, Sagardeep Alloys Limited**

**Sd/-
Satishkumar Mehta
Chairman & Managing Director
(DIN: 01958984)**

NOTES

1. In view of the massive outbreak of the COVID-19 pandemic, social distancing is a norm to be followed, the Government of India, Ministry of Corporate Affairs allowed conducting Annual General Meeting through Video Conferencing (VC) or Other Audio-Visual Means (OAVM) and dispensed the personal presence of the members at the meeting. Accordingly, the Ministry of Corporate Affairs issued Circular No. 14/2020 dated April 08, 2020, Circular No. 17/2020 dated April 13, 2020 and Circular No. 20/2020 dated May 05, 2020 prescribing the procedures and manner of conducting the Annual General Meeting through VC/OAVM. In terms of the said circulars, the 13th Annual General Meeting (AGM) of the members will be held through VC/OAVM. Hence, members can attend and participate in the AGM through VC/OAVM only. The detailed procedure for participation in the meeting through VC/OAVM is as per note no. 17 and available at the Company's website www.sdalloys.com.
2. Information regarding appointment/re-appointment of Directors and Explanatory Statement in respect of special businesses to be transacted pursuant to Section 102 of the Companies Act, 2013 and/ or Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is annexed hereto.
3. 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 AGM. However, the Body Corporates are entitled to appoint authorized representatives to attend the AGM through VC/OAVM and participate thereat and cast their votes through e-voting.
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. In line with the aforesaid Ministry of Corporate Affairs (MCA) Circulars, the Notice of AGM along with Annual Report 2019-20 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/ Depositories. Member may note that Notice and Annual Report 2019-20 has been uploaded on the website of the Company at www.sdallys.com. The Notice can also be accessed from the websites of the Stock Exchange i.e. National Stock Exchange of India Limited at www.nseindia.com respectively.
6. The Register of members and share transfer books of the Company will remain closed from Thursday, 21st August, 2020 to Thursday, 27th August, 2020 (both days inclusive) for the purpose of Annual General Meeting.
7. Members seeking any information with regard to accounts are requested to write to the Company at least 10 days before the meeting so as to enable the management to keep the information ready.
8. Members holding the shares in physical mode are requested to notify immediately the change of their address and bank particulars to the R & T Agent of the Company. In case shares held in dematerialized form, the information regarding change of address and bank particulars should be given to their respective Depository Participant.
9. In terms of Section 72 of the Companies Act, 2013, nomination facility is available to individual members holding shares in the physical form. The members who are desirous of availing this facility, may kindly write to Company's R & T Agent

for nomination form by quoting their folio number.

10. The Register of Directors' and Key Managerial Personnel and their shareholding maintained under Section 170 of the Companies Act, 2013, the Register of contracts or arrangements in which the Directors are interested under Section 189 of the Companies Act, 2013 and all other documents referred to in the Notice will be available for inspection in electronic mode.
11. The Members can join the AGM through 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 AGM through VC/OAVM will be made available for 1,000 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 AGM without restriction on account of first come first served basis.
12. Process and manner for members opting for voting through Electronic means:
 - i. 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 Central Depository Services (India) Limited (CDSL), as the Authorized e-voting agency for facilitating voting through electronic means. The facility of casting votes by a member using remote e-voting as well as e-voting system on the date of the AGM will be provided by CDSL.

- ii. Members whose names are recorded in the Register of Members or in the Register of Beneficial Owners maintained by the Depositories as on the Cut-off date i.e. Thursday, 20th August, 2020, 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.
- iii. A person who has acquired the shares and has become a member of the Company after the dispatch of the Notice of the AGM and prior to the Cut-off date i.e. Thursday, 20th August, 2020, shall be entitled to exercise his/her vote either electronically i.e. remote e-voting or e-voting system on the date of the AGM by following the procedure mentioned in this part.
- iv. The remote e-voting will commence on Monday, 24th August, 2020 at 9.00 a.m. and ends on Wednesday, 26th August, 2020 at 5.00 p.m. During this period, the members of the Company holding shares either in physical form or in demat form

as on the Cut-off date i.e. Thursday, 20th August, 2020 may cast their vote electronically. The members will not be able to cast their vote electronically beyond the date and time mentioned above and the remote e-voting module shall be disabled for voting by CDSL thereafter.

- v. Once the vote on a resolution is cast by the member, he/she shall not be allowed to change it subsequently or cast the vote again. The voting rights of the members shall be in proportion to their share in the paid-up equity share capital of the Company as on the Cut-off date i.e. Thursday, 20th August, 2020.
- vi. The Company has appointed CS Devesh Khandelwal, Practising Company Secretary (Membership No. FCS: 4202; CP No: 6897), to act as the Scrutinizer for conducting the remote e-voting process as well as the e-voting system on the date of the AGM, in a fair and transparent manner.

13. Process for those shareholders whose email ids are not registered:

- a) For members holding shares in Physical mode - please provide necessary details like Folio No., Name of shareholder by email to secretary@sdalloys.com.
- b) Members holding shares in Demat mode can get their E-mail ID registered by contacting their respective Depository Participant or by email to secretary@sdalloys.com.

14. The instructions for shareholders for remote voting are as under:

- i. The voting period begins on Monday, 24th August, 2020 at 9.00 a.m. and ends on Wednesday, 26th June, 2020

at 5.00 p.m. During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date i.e. Thursday, 20th August, 2020 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

- ii. Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting.
- iii. The shareholders should log on to the e-voting website www.evotingindia.com.
- iv. Click on Shareholders.
- v. Now Enter your User ID
 - a) For CDSL: 16 digits beneficiary ID,
 - b) For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c) Members holding shares in Physical Form should enter Folio Number registered with the Company
- vi. Next enter the Image Verification as displayed and Click on Login.
- vii. If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- viii. If you are a first-time user follow the steps given below:

	For Members holding shares in Demat Form and Physical Form
PAN	<ul style="list-style-type: none"> • Enter your 10-digit alphanumeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) • Members who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number which is printed on Postal Ballot / Attendance Slip indicated in the PAN field.

<p>Dividend Bank Details</p> <p>OR Date of Birth (DOB)</p>	<ul style="list-style-type: none"> • Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. • If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field.
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- ix. After entering these details appropriately, click on "SUBMIT" tab.
- x. Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- xi. For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- xii. Click on the EVSN of the Company - SAGARDEEP ALLOYS LIMITED on which you choose to vote.
- xiii. On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and

- option NO implies that you dissent to the Resolution.
- xiv. Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- xv. After selecting the resolution, you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- xvi. Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- xvii. You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- xviii. If a demat account holder has forgotten the login password, then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- xix. Shareholders can also cast their vote using CDSL's mobile app m-Voting. The m-Voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.
- xx. Note for Non – Individual Shareholders and Custodians
 - Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
 - The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com

and on approval of the accounts they would be able to cast their vote.

- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favor of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- Alternatively, Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company, if voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com or call 1800225533.

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Manager, (CDSL) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call 1800225533.

15. The instructions for shareholders voting on the day of the AGM on e-voting system are as under:
 1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for Remote e-voting.
 2. Only those Members/ shareholders, who will be present in the 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 available in the AGM.
3. If any Votes are cast by the members through the e-voting available during the AGM and if the same members have not participated in the meeting through VC/OAVM facility, then the votes cast by such members shall be considered invalid as the facility of e-voting during the meeting is available only to the members participating in the meeting.
4. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
16. The results declared along with the Scrutinizer’s Report shall be placed on the Company’s website www.sdalloys.com within three days of the passing of the Resolutions at the 13th Annual General Meeting of the Company and shall also be communicated to the Stock Exchanges where the shares of the Company are listed.
17. Instructions for members for attending the AGM through VC / OAVM are as under:
 1. Member will be provided with a facility to attend the AGM through VC/OAVM or view the live webcast of AGM through the CDSL e-Voting system. Members may access the same at <https://www.evotingindia.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 EVSN of Company will be displayed.
 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. For ease of conduct, members who would like to ask questions may send their questions in advance at least (7) days before AGM mentioning their name, demat account number / folio number, email id, mobile number at secretary@sdalloys.com and register themselves as a speaker. Those Members who have registered themselves as a speaker will only be allowed to express their views/ask questions during the AGM.
6. Since the AGM will be held through VC/OAVM, the Route

Map is not annexed in this Notice.

18. If you have any queries or issues regarding attending AGM & e-Voting from the e-Voting System, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com or contact Mr. Nitin Kunder (022-23058738) or Mr. Mehboob Lakhani (022-23058543) or Mr. Rakesh Dalvi (022-23058542).

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Manager, (CDSL,) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call on 022-23058542/43.

Regd Office:

Plot No. 2070 , Rajnagar Patiya ,
SantejKhatrajRoad ,
SantejKalol,
Gandhinagar 382721

Date: 27/07/2020

Place: Santej

**By Order of the Board of Directors
For, Sagardeep Alloys Limited**

Sd/-

**Satishkumar Mehta
Chairman & Managing Director
(DIN: 01958984)**

Contact Details

Company: SAGARDEEP ALLOYS LIMITED

Regd. Office: PLOT NO. 2070, RAJNAGAR PATIYA, SANTEJ KHATRAJ ROAD, SANTEJ KALOL Gandhinagar
GJ 382721 IN

CIN: L51100GJ1993PLC019067

E-mail: secreatry@sdallys.com

Registrar and Transfer Agent: Link Intime India Private Limited 5th Floor, 506-508, Amarnath Business Centre-1 (ABC-1), Besides Gala Business Centre, Near St. Xavier's College Corner, Off C G Road, Navrangpura, Ahmedabad - 380009 Tel: +91-79-26465179

e-Voting Agency: Central Depository Services (India) Limited E-mail: helpdesk.evoting@cdslindia.com
Phone: 022- 22723333/ 8588

Scrutinizer: CS Devesh Khandelwal Practicing Company Secretary (FCS: 6897 and COP: 4202)
E-mail : info@csdevesh.com

EXPLANATORY STATEMENT

(Pursuant to Section 102 of the Companies Act, 2013)

Item 3 & 4

Mr. Patel Hemendrabhai Bhailal (DIN-01827562) and Mrs. Vinita Pankaj Maheshwari (DIN-07187365) were appointed as Independent Directors of the Company pursuant to Section 149 of the Companies Act, 2013 (“the Act”) read with Companies (Appointment and Qualification of Directors) Rules, 2014, by the Shareholders at the Extra Ordinary General Meeting held on 11th September, 2014 to hold office till 27th August, 2020 (“first term” as per the explanation to Section 149(10) and 149(11) of the Act.).

The Nomination & Remuneration Committee at its Meeting held on 27th July, 2020 after taking into account the performance evaluation of these Independent Directors, during their first term of five years and considering the knowledge, acumen, expertise and experience in their respective fields and the substantial contribution made by these Directors during their tenure as an Independent Director since their appointment, has recommended to the Board that continued association of these Directors as an Independent Directors would be in the interest of the Company. Based on the above, the Nomination & Remuneration Committee and the Board has recommended the re-appointment of these Directors as Independent Directors on the Board of the Company, to hold office for the second term of five consecutive years commencing from 28th August, 2020 to 27th August, 2025 and not liable to retire by rotation.

The Company has received a notice in writing pursuant to Section 160 of the Companies Act, 2013 from a Member proposing the candidature of Mr. Patel Hemendrabhai Bhailal (DIN-01827562) and Mrs. Vinita Pankaj Maheshwari (DIN-07187365) for their appointment to the office of Independent Directors.

Brief profile of the above Independent Directors is as under:

- Mr. Hemendra B Patel, aged 50 years, is non-executive Independent Director of the Company. He has completed his diploma in Mechanical Engineering from Sir Bhavsinhaji Polytechnic Institute, Bhavnagar. He is also Director of Sigma Lasertech Private Limited & Sagardeep Engineers Private Limited and has business experience of almost 13 years.
- Ms. Vinita P Maheshwari, aged 37 years, is non-executive Independent Women Director of the Company. She has completed her Master of Arts. She is also Director in Real Fasteners Private Limited.

The above Directors have given a declaration to the Board that they meet the criteria of independence as provided in Section 149(6) of the Companies Act, 2013 and Regulation 16 of the SEBI Listing Regulations. In terms of proviso to sub-section (5) of Section 152, the Board of Directors is of the opinion they fulfil the conditions specified in the Act for their appointment as an Independent Directors.

The Company has also received from the above directors: -

- (i) the consent in writing to act as Director and
- (ii) intimation that they are not disqualified under section 164(2) of the Companies Act, 2013.
- (iii) a declaration to the effect that they are not debarred from holding the office of Director pursuant to any Order issued by the Securities and Exchange Board of India (SEBI).

A copy of the draft letter for the appointment of the above Directors as Independent Director setting out the terms and conditions would be available for inspection without any fee by the members at the Registered Office of the Company during normal business hours on any working day and the same has also been put up on the Company website.

The other details including the shareholding of these Directors, whose appointment is proposed at item nos. 3 and 4 of the accompanying Notice, have been given in the attached annexure.

The Board recommend the Resolutions for re-appointment of the Independent Directors at item no. 3 and 4 as Special Resolutions of this notice for your approval.

Mr. Patel Hemendrabhai Bhailal (DIN-01827562) and Mrs. Vinita Pankaj Maheshwari (DIN-07187365) respectively, are concerned or interested in the resolutions of the accompanying notice relating to their own appointment.

None of the other Directors, Key Managerial Personnel and relatives thereof are concerned or interested in the Resolutions at item nos. 3 and 4.

Item 5

Board of directors of the Company has appointed Mr. Parimal Patwa as Additional Director of the Company w.e.f 22/05/2020 and Mr. Parimal Patwa (DIN-00093852) holds office of the Director till the conclusion of next Annual General Meeting.

Pursuant to the provisions of Section 161 of the Act and Articles of Association of the Company, Mr. Parimal Patwa will hold office up to the date of the ensuing Annual General Meeting (“AGM”) and is eligible to be appointed a Director of the Company. The Company has, in terms of Section 160 of the Act, received, in writing, a notice from a Member, along with the requisite deposit, proposing the candidature of Mr. Parimal Patwa for the office of Director. Mr. Parimal Patwa, once appointed, will be liable to retire by rotation.

The Company has received from Mr. Parimal Patwa (i) Consent in writing to act as Director in Form DIR-2 pursuant to Rule 8 of the Companies (Appointment & Qualification of Directors) Rules, 2014 and (ii) Intimation in Form DIR-8 in terms of the Companies (Appointment & Qualification of Directors) Rules, 2014, to the effect that he is not disqualified under Section 164(2) of the Act.

Accordingly, in terms of the requirements of the provisions of Companies Act, 2013 approval of the members of the Company is required for regularization of Mr. Parimal Patwa (DIN-00093852) as Director of the Company.

Brief profile of Mr. Parimal Patwa (DIN-00093852) is attached for reference of the member.

None of the Directors and Key Managerial Personnel of the Company and their relatives except Mr. Parimal Patwa (DIN-00093852) is concerned or interested, financial or otherwise, in the resolution.

The Board recommends the resolution set forth in Item no.5 for the approval of the members.

Regd Office:

Plot No. 2070 , Rajnagar Patiya ,
SantejKhatrajRoad ,
SantejKalol,
Gandhinagar 382721

Date: 27/07/2020

Place: Santej

***By Order of the Board of Directors
For, Sagardeep Alloys Limited***

Sd/-

Satishkumar Mehta

Chairman & Managing Director

(DIN: 01958984)

DETAILS OF DIRECTORS SEEKING APPOINTMENT / RE-APPOINTMENT AS REQUIRED UNDER REGULATION 36 OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS 2015

(In pursuance of Regulation 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015)

Name of Director	Mr. Jayeshkumar A Mehta
DIN	02156140
Date of Birth	03/08/1979
Date of Appointment on the board	05/05/2008
Relationship Between Director <i>sinter se</i>	Brother of Mr. Satishkumar A Mehta
Expertise in Specific functional area	Sales & Marketing
Qualification	HSC
Other Board Membership*	Nil
Committee Membership in other public companies	Nil
Number of Shares held in the Company	17,51,500 equity shares

Name of Director	Mr. Hemendra B Patel
DIN	01827562
Date of Birth	06/05/1970
Date of Appointment on the board	28/08/2015
Relationship Between Directors <i>sinter se</i>	Nil
Expertise in Specific functional area	Mechanical Engineering
Qualification	Diploma in Mechanical Engineering
Other Board Membership*	NA
Committee Membership in other public companies	Nil
Number of Shares held in the Company	Nil

Name of Director	Mrs. Vinita Pankaj Maheshwari
DIN	07187365
Date of Birth	23/04/1983
Date of Appointment on the board	28/08/2015
Relationship Between Directors <i>sinter se</i>	NA
Expertise in Specific functional area	Administration
Qualification	Master of Arts
Other Board Membership*	Nil
Committee Membership in other public companies	Nil
Number of Shares held in the Company	Nil

Name of Director	Mr. Parimal Suryakant Patwa
DIN	00093852
Date of Birth	24/12/1959
Date of Appointment on the board	22/05/2020
Relationship Between Directors <i>inter se</i>	NA
Expertise in Specific functional area	Finance
Qualification	HSC
Other Board Membership*	2
Committee Membership in other public companies	5
Number of Shares held in the Company	Nil

*Pvt. Companies excluded

Regd Office:

Plot No. 2070 , Rajnagar Patiya ,
SantejKhatrajRoad ,
SantejKalol,
Gandhinagar 382721

Date: 27/07/2020

Place:Santej

By Order of the Board of Directors

For, Sagardeep Alloys Limited

Sd/-

Satishkumar Mehta

Chairman & Managing Director

(DIN: 01958984)

DIRECTOR'S REPORT

Dear Members,

Your Directors take pleasure in presenting the 13th Annual Report along with Audited Financial Statements of your Company for the financial year ended 31st March, 2020.

1. Financial Results

During the year under review, your Company has achieved a total net sale of Rs.3380.27 lakhs and achieved Net Profit after Tax (NP) of Rs.26.07 lakhs. Your directors are optimistic about the performance of the Company in the coming years. The financial highlights for the year 2019-20 are as under:

Standalone (in lakhs)

Particulars for the year ended	March 31, 2020	March 31, 2019
Net revenue from Operations (Sales)	3380.27	5108.87
Profit Before Depreciation and Tax	73.82	250.92
Less: Depreciation	42.37	40.61
Profit Before Tax	31.45	233.91
Less: Tax Expense	5.37	61.01
Profit After Tax	26.07	172.89
EPS (Basic)	0.23	1.52
EPS (Diluted)	0.23	1.52

Consolidated (in Lakhs)

Particulars for the year ended	March 31, 2020	March 31, 2019
Net revenue from Operations (Sales)	3380.27	5108.87
Profit Before Depreciation and Tax	73.54	273.95
Less: Depreciation	43.92	42.19
Profit Before Tax	29.43	231.77
Less: Tax Expense	6.63	60.92
Profit After Tax	22.80	168.83
EPS (Basic)	0.21	1.57
EPS (Diluted)	0.21	1.57

2. Dividend

Your Director feel that it is prudent to plough back the profits of the Company for future growth of the Company and therefore do not recommend any dividend for the year ended March 31, 2020.

3. Transfer of Unclaimed Dividend to Investor Education and Protection Fund

Since there was no unpaid/unclaimed dividend, the provision of Section 125 of the Companies Act, 2013 do not apply.

4. Change in the nature of business, if any-

There is no change in the nature of business carried out by the Company in the Year 2019-2020.

5. Reserves

The Board of Directors has decided to retain the entire amount of profits in the profit and loss account.

6. Subsidiary, Joint Ventures and Associate Companies

The Company has one wholly owned Indian Subsidiary company i.e. Sagardeep Engineers Private Limited. A statement containing the salient features of financial statement of our subsidiaries in the prescribed format AOC-1 is appended to the financial statements of the Company.

7. Consolidated Financial Statement

The Financial Statement of the Company for the Financial year 2019-20 are prepared in compliance with the applicable provisions of the Act, Accounting Standards and as prescribed by Securities and Exchange Board of India (SEBI) under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Consolidated Financial Statement has been prepared on the basis of the audited financial statement of the Company as approved by their respective Board of Directors. Pursuant to the provisions of Section 136 of the Act, the Financial Statements of the Company, the Consolidated Financial Statements along with all relevant documents and Auditors report thereon form part of this Annual Report.

8. Public Deposit

The Company has not accepted or renewed any amount falling within the purview of provisions of Section 73 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.

9. Particulars of loan, Guarantees or Investment made under Section 186

During the year, the Company has not given any guarantee or provided security in connection with the loan to any other body corporate or person or made any investments however the Company has provided loans to persons/body corporates and the particulars of such loans, falling under the provisions of Section 186 of the Companies Act, 2013 are provided in the notes to financial statements of the Company.

10. Extract of the annual return

The extract of the Annual Return in Form MGT-9 pursuant to the provisions of Section 92 read with Rule 12 of the Companies (Management and Administration) Rules, 2014 is furnished in **Annexure 'I'** and is attached to the report.

11. Directors & Key Management Personnel

I. Composition of Board & Board Meetings

The Board of Directors of the Company has an optimum combination of Executive, Non-Executive and Independent Directors. As on the 31st March, 2020, the Board comprises of 5(Five) Directors, out of which 2 are Executive Directors and 3 are Non-Executive Independent Directors that includes one Woman Director. The Chairman of the Board is an executive Director.

The Board of Directors duly met 6 times on 26/04/2019, 13/05/2019, 30/05/2019, 12/08/2019, 14/11/2019 and 03/02/2020 during the year. The Composition, category and attendance of each Director at the Board and Annual General Meeting of each Director in various companies is as follows: -

Name of Director, Designation and Category	No of Board Meetings held during the year	No of Board Meetings attended during the year	Attendance at the AGM

Mr. Satishkumar A Mehta Chairman & Managing Director Promoter	6	6	Yes
Mr. Jayeshkumar A Mehta Whole Time Director Promoter	6	6	Yes
Mr. Hemendra B Patel Non-Executive Director Independent	6	6	Yes
Mrs. Vinita P Maheshwari Non-Executive Director Independent	6	6	Yes
Mr. Jitendra D Patel Non-Executive Director Independent	6	6	Yes

As on 22nd May, 2020 Mr. Parimal Patwa were appointed on Board as an as a Non-Executive Non-Promoter and Non-Independent Director and after his appointment the Board composition is as under: -

Name of Director	Designation
Mr. Satishkumar A Mehta	Chairman & Managing Director Promoter
Mr. Jayeshkumar A Mehta	Whole Time Director Promoter
Mr. Hemendra B Patel	Non-Executive Director Independent
Mrs. Vinita P Maheshwari	Non-Executive Director Independent

Mr. Jitendra D Patel	Non-Executive Director Independent
Mr. Parimal Patwa	Non-Executive Director Non-Independent

II. INDUCTIONS

During the year Mr. Nayan P. Pitroda, a member of Institute of Company Secretaries of India was appointed as the Company Secretary and Compliance Officer of the Company effective from 13th May, 2019.

Further, after end of the financial year Mr. Parimal Patwa were appointed on Board on 22nd May, 2020 as an as a Additional Non-Executive Non-Promoter and Non-Independent Director.

III. CESSATIONS:

During the year Ms. Barkha Deshmukh resigned as a company secretary and compliance officer of the company effective from 26th April, 2019.

IV. Retirement by Rotation

In accordance with the provisions of the Companies Act 2013 and Companies Articles of Association, Mr. Jayeshkumar A. Mehta retires by rotation at the ensuing Annual General Meeting and being eligible offers himself for re-appointment. The Board recommends his re-appointment. Necessary resolution for his re-appointment is placed before the shareholder for approval.

V. Familiarization Program of Independent Directors

The Independent Directors have been updated with their roles, rights and responsibilities in the Company by specifying them in their appointment letter along with necessary documents, reports and internal policies to enable them to familiarize with the Company's

procedures and practices. The Company endeavors, through presentations at regular intervals, to familiarize the Independent Directors with the strategy, operations and functioning of the Company and also with changes in the regulatory environment having a significant impact on the operations of the Company and the industry as a whole. The Independent Directors also meet with senior management team of the Company in informal gatherings. During the year 2019-20, the Company has conducted 6 programs for familiarizing the Directors for a total duration of 6 hours. The Policy on familiarization program for independent directors, role, responsibility and rights of independent directors is uploaded on www.sdalloys.com.

VI. Profile of Directors seeking appointment / reappointment

As required under regulation 36(3) of SEBI (LODR), 2015, particulars of the Directors retiring and seeking reappointment and appointment at the ensuing Annual General Meeting is annexed to the notice convening 13th Annual General Meeting.

VII. Key Managerial Personnel

As on the date of this report, the following persons are the Key Managerial Personnel(s) of the Company:

- a) Mr. Satishkumar A. Mehta, Chairman & Managing Director
- b) Mr. Jayeshkumar A. Mehta, Whole Time Director
- c) Mr. Krishnakant P. Somani, Chief Financial Officer
- d) Mr. Nayan P. Pitroda, Company Secretary and Compliance Officer.

VIII. Declaration from Independent Director

All the Independent Directors of the Company have given their declarations stating that they meet the criteria of independence as prescribed under the Section 149(6) of the Companies Act, 2013

read with the rules made there under and in the opinion of the Board, the Independent Directors meet the said criteria.

During the year under review the Independent Directors duly met pursuant to the provisions as specified in Schedule IV of the Companies Act, 2013 and the quorum was present throughout the meeting.

12. Audit Committee

The Audit Committee is duly constituted in accordance with SEBI (LODR) Regulations 2015 and Section 177 of the Companies Act, 2013 read with Rule 6 of the Companies (Meetings of the Board and its Powers) Rules, 2014 as amended from time to time. It adheres to the terms of reference which is prepared in compliance with Section 177 of the Companies Act, 2013, and SEBI (LODR) Regulations 2015. The Members of the Committee are: -

Name & Position	Category	Number of meetings held	Number of meetings attended
Mr. Jitendrakumar Patel Non-Executive Independent Director		4	4
Chairman			
Mrs. Vinita Maheshwari Non-Executive Independent Director		4	4
Member			
Mr. Satishkumar A Mehta Managing Director		4	4
Member			

Two third of the members are Independent Directors and all the members are financially literate. The composition, role, functions and powers of the Audit Committee are in line with the requirements of applicable laws and regulations. The Audit Committee shall oversee financial reporting process and

disclosures, review financial statements, internal audit reports, related party transactions, financial and risk management policies, auditors qualifications, compliance with Accounting Standards etc. and oversee compliance with Stock Exchanges and legal requirements concerning financial statements and fixation of audit fee as well as payment for other services etc.

Four Audit Committee meetings were held during the year 2019-20 at the Registered Office of the Company on 30/05/2019, 12/08/2019, 14/11/2019 and 03/02/2020.

13. Nomination and Remuneration Committee

The Nomination and Remuneration Committee is constituted in accordance with SEBI (LODR) Regulations 2015 and Section 178 of the Companies Act, 2013 read with Rule 6 of the Companies (Meetings of the Board and its Powers) Rules, 2014 as amended from time to time. The Company Secretary acts as the Secretary to the committee and the Committee Members are:

Name Category & Position	Number of meetings held	Number of meetings attended
Mr. Jitendrakumar Patel Non-Executive Independent Director Chairman	2	2
Mrs. Vinita Maheshwari Non-Executive Independent Director Member	2	2
Mr. Hemendra Patel Non-Executive Independent Director Member	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 of Directors, Key Managerial Personnel and other employees. The said policy is available on the website of the Company (www.sdalloys.com).

Two meeting was held during the year 2019-20 at the Registered Office of the Company on 26/04/2019 and 13/03/2019.

14. Stakeholders Relationship Committee

The Stakeholders Relationship Committee is constituted in compliance with the requirements of Section 178 of the Companies Act, 2013. Company Secretary is the Compliance Officer, who acts as the Secretary to the Committee and the Members of the Committee are:

Name Category & Position	Number of meetings held	Number of meetings attended
Mrs. Vinita Maheshwari Non-Executive Independent Director Chairman	1	1
Mr. Hemendrabhai Patel Non-Executive Independent Director Member	1	1
Mr. Satishkumar Mehta Managing Director Member	1	1

The Stakeholders Relationship Committee looks into shareholders' complaints related to

transfer of shares, non-receipts of balance sheet besides complaints from SEBI, Stock Exchanges, Court and various Investor Forums. It oversees the performance of the Registrars and Transfer Agent, and recommends measures for overall improvement in the quality of investor services. The Company is in compliance with the SCORES, which has initiated by SEBI for processing the investor complaints in a centralized web-based redress system and online redressal of all the shareholders complaints.

One meeting was held during the year 2019-20 at the Registered Office of the Company on 03/02/2020.

15. Compliance Officer

The Compliance officer of the Company is Mr. Nayan P. Pitroda, who is also designated as Company Secretary of the Company.

16. Statement on Formal Annual Evaluation of Board

Nomination and Remuneration Committee annually evaluates the performance of individual Directors, Committees, and of the Board as a whole in accordance with the formal system adopted by it. Further, the Board also regularly in their meetings held for various purposes evaluates the performance of all the Directors, committees and the Board as a whole. The Board considers the recommendation made by Nomination and Remuneration Committee in regard to the evaluation of board members and also tries to discharge its duties more effectively. Each Board member's contribution, their participation was evaluated and the domain knowledge they bring. They also evaluated the manner in which the information flows between the Board and the Management and the manner in which the board papers and other documents are prepared and furnished.

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

There are no material changes and commitments affecting the financial position of the Company which have occurred between the end of the financial year of the Company and the date or report.

Due to spread of Novel Corona Virus (COVID-19) our Plant located in Santej, Gandhinagr was dosed from March 23, 2020 to April 20, 2020 (28 days) however, we got permission on April 20, 2020 from concerned authorities, subject to fulfilment of certain conditions, to partially start production operations. And further as on date of report there is shortage of labors as the labors have returned to their places because of Pandemic.

18. Details of significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future

There are no significant and material orders passed by the regulators or courts or tribunals impacting the going concerns status and Company's operations in future.

19. Auditors

1. Statutory Auditors

M/s. Piyush J Shah & Co., Chartered Accountants, the Statutory Auditors of the Company, were reappointed at the 09th Annual General Meeting held on 30th September 2016 to hold office from the conclusion of Ninth (9th) Annual General Meeting (AGM) till the conclusion of 14th Annual General Meeting to be held in the year 2021 (subject to ratification of their appointment at every AGM).

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

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

2. Secretarial Auditor

M/s. Khandelwal Devesh & Associates, Company Secretaries, Ahmedabad were appointed as Secretarial Auditor of the Company to conduct secretarial audit pursuant to the provisions of Section 204 of the Companies Act, 2013. The secretarial audit of the Company has been conducted on a concurrent basis in respect of the matters as set out in the said rules and Secretarial Audit Report given by M/s. Khandelwal Devesh & Associates, Company Secretaries, Secretarial Auditor of the Company forms part of this report and is marked as **Annexure-‘II’**.

There are no qualifications, reservations or adverse remarks made by M/s. Khandelwal Devesh & Associates, Company Secretaries, Secretarial Auditor of the Company, in their report.

The Company has also undertaken an audit for the FY 2019-20 pursuant to SEBI Circular No. CIR/CFD/CMO/I/27/2019 dated 08th February 2019 for all applicable compliances as per the Securities and Exchange Board of India Regulations and Circular/ Guidelines issued thereunder. The Report (Annual Secretarial Compliance Report as per Regulation 24A of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015) has been submitted to the Stock Exchanges. The said report is Annexed as **Annexure- ‘III’**.

Further as per the provisions of Regulation 24A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, M/s.

Khandelwal Devesh & Associates, Company Secretaries, had undertaken secretarial audit of the Company’s material subsidiary i.e., Sagardeep Engineers Private Limited for the FY 2019–20. The Audit Report confirms that the material subsidiary has complied with the provisions of the Act, Rules, Regulations and Guidelines and that there were no deviations or non-compliances.

The Board, at its meeting held on 27 July, 2020, has re-appointed M/s. Khandelwal Devesh & Associates, Company Secretaries, as Secretarial Auditor, for conducting Secretarial Audit of the Company for FY 2020–21.

20. Personnel

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- ‘IV’**. 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.

21. 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 **Annexure- ‘V’** to this report.

22. Board Evaluation

The Board carried out an annual performance evaluation of its own performance, the performance of the Independent Directors individually as well as the evaluation of the working of the Committees of the Board. The performance evaluation of all the Directors was carried out by the Nomination and Remuneration Committee. The performance evaluation of the Chairman and the Non-Independent Directors was carried out by the Independent Directors. Details of the same are

given in the Report on Corporate Governance annexed hereto.

23. Corporate Social Responsibility (CSR)

The provisions of Corporate Social Responsibility (CSR) are not applicable to the Company.

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

A. CONSERVATION OF ENERGY:

- i. the steps taken or impact on conservation of energy: **Nil**
- ii. the steps taken by the company for utilising alternate sources of energy: **None**
- iii. the capital investment on energy conservation equipment: **Nil**

B. TECHNOLOGY ABSORPTION:

- i. the efforts made towards technology absorption: **None**
- ii. the benefits derived like product improvement, cost reduction, product development or import substitution: **None**
- iii. in case of imported technology (imported during the last three years reckoned from the beginning of the financial year)-
 - a) the details of technology imported: **None**
 - b) the year of import: **N.A.**
 - c) whether the technology been fully absorbed: **N.A.**
 - d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof: **N.A.**
 - e) the expenditure incurred on Research and Development: **Nil**

C. Foreign exchange Earnings & Outgo

- Foreign Exchange Earning: **NIL**
- Foreign Exchange Outgo: **NIL**

24. Particulars of contracts or arrangements with related parties:

The Company has no material significant transactions with its related parties which may have potential conflict with the interest of the Company at large.

25. Statement regarding the development and implementation of Risk Management Policy

The Company has not developed and implemented any risk management policy as the risk threatening the business activity carried out by the Company during the year are minimal.

26. Prevention of Sexual Harassment at Workplace

As per the requirement of The Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013 and rules made thereunder, your Company has constituted Internal Complaints Committee (ICC) which is responsible for redressal of complaints related to sexual harassment.

Your Directors declared and confirm that, during the year under review, there is no case filed under Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

27. Vigil Mechanism:

The Company believes in the conduct of its affairs in a fair and transparent manner to foster professionalism, honesty, integrity and ethical behavior in its employees & stakeholders. The Company has adopted a Whistle Blower Policy as a part of vigil mechanism.

Also, the Code of Business Conduct (Code) lays down important corporate ethical practices that shape the Company's value system and business functions and represents cherished values of the Company.

28. Adequacy of Internal Financial Control

The Company has designed and implemented a process driven framework for Internal Financial Controls ('IFC') within the meaning of the explanation to Section 134(5)(e) of the Act. For the year ended March 31, 2020, the Board is of the opinion that the Company has sound IFC commensurate with the nature and size of its business operations and operating effectively and no material weaknesses exist. The Company has a process in place to continuously monitor the same and identify gaps, if any, and implement new and / or improved controls wherever the effect of such gaps would have a material effect on the Company's operations.

During the year, no reportable material weakness was observed.

29. Directors' Responsibility Statement

In terms of Section 134 (5) of the Companies Act, 2013, the directors would like to state that:

(a) In the preparation of the annual accounts for the financial year ended March 31, 2018, the applicable accounting standards have been followed along with proper explanation relating to material departures.

(b) The directors have selected such accounting policies and applied them consistently and made judgments and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and loss of the Company for that period under review.

(c) The directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities.

(d) The directors have prepared the annual accounts on a going concern basis.

(e) 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.

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

30. Listing

The equity shares of the Company are listed on of NSE and the Company has paid the annual listing fees for the year 2020-21.

31. Corporate Governance

Your Company has been complying with the principals of good Corporate Governance over the years and is committed to the highest standards of compliance. Pursuant to regulation 15(2) of the SEBI (LODR) Regulations 2015, w.e.f. 25/01/2019 Company's shares are listed on the Mainboard i.e. NSE and therefore the Provisions and Regulations relating to Corporate Governance were effective from said date. The Report on Corporate Governance is attached as **Annexure 'VI'**.

32. Installation of New Plant and Machinery into Existing Line of Business

The Company have completed the installation work for new plant and machinery at its existing factory at Plot No. 2070, Rajnagar Patiya, Behind GEB Sub-station, Santej – Khatraj Road, Santej – 382721. Tal: Kalol, Dist: Gandhinagar, which also includes upgradation of some of existing machinery. The Company will produce Copper busbar, copper strips, copper plates, copper wire to be used in electric cable. It is to be noted that the Company is already producing busbar from its existing plant. The new plant and machinery will help the company to reduce production cost and also to improve quality. Further details are annexed as **Annexure 'VII'**.

33. Secretarial Standards:

The Company has complied with Secretarial Standards issued by the Institute of Company Secretaries of India on Board Meetings and General Meetings.

34. Acknowledgement:

The Directors place on record their sincere thanks to the Bankers, business associates, consultants, customers, and employees for their continued support extended to your Companies activities during the year under review. Your Directors also acknowledges gratefully the shareholders for their support and confidence reposed on your Company.

Date: 27/07/2020

Place: Santej

For and on behalf of board of directors

Satishkumar A Mehta
Chairman & Managing Director
(DIN: 01958984)

Annexure- 'I'

FORM NO. MGT 9

EXTRACT OF ANNUAL RETURN OF SAGARDEEP ALLOYS LIMITED

As on financial year ended on 31.03.2020

Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company (Management & Administration) Rules, 2014

I. REGISTRATION & OTHER DETAILS:

1	CIN	U29253GJ2007PLC050007
2	Registration Date	13/02/2007
3	Name of the Company	Sagardeep Alloys Limited
4	Category/Sub-category of the Company	Company Limited by shares Non-Government Company
5	Address of the Registered office & contact details	Plot no. 2070, Rajnagar Patia, Santej ,Khatraj Road, SantejKalol, Gandhinagar -382721
6	Whether listed company	Yes
7	Name, Address & contact details of the Registrar & Transfer Agent, if any.	Linkintime Private limited C-101, 247 Park, L.B.S. Marg, Vikhroli (West), Mumbai – 400 083

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

Sr. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the
1	Manufacture of Basic precious and Nonferrous- alloys	2720	90.49%
2	Whole sale of Metals and Metal Ores	5142	09.51%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sr. No.	Name & Address of the Company	CIN	Holding/Subsidiary/ Associate	% of Shares held	Applicable Section under Companies Act, 2013
1	Sagardeep Engineers Private Ltd	U29100GJ2011PTC063479	Wholly Owned Subsidiary	100	2(87) (ii)

IV. SHARE HOLDING PATTERN

A) Category-wise Share Holding

Sr. No	Category of Shareholders	Shareholding at the beginning of the year - 2019				Shareholding at the end of the year - 2020				% Change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
(A)	Shareholding of Promoter and Promoter Group									
[1]	Indian									
(a)	Individuals / Hindu Undivided Family	7738100	0	7738100	68.04	7738100	0	7738100	68.04	0.00
(b)	Central Government / State Government(s)	0	0	0	0.00	0	0	0	0.00	0.00
(c)	Financial Institutions / Banks	0	0	0	0.00	0	0	0	0.00	0.00
(d)	Any Other (Specify)									0.00
	Bodies Corporate	633500	0	633500	5.5709	633500	0	633500	5.5709	0.00
	Sub Total (A)(1)	8371600	0	8371600	73.6185	8371600	0	8371600	73.6185	0.00
[2]	Foreign									
(a)	Individuals (Non-Resident Individuals / Foreign Individuals)	0	0	0	0.00	0	0	0	0.0000	0.00
(b)	Government	0	0	0	0.00	0	0	0	0.0000	0.00
(c)	Institutions	0	0	0	0.00	0	0	0	0.0000	0.00
(d)	Foreign Portfolio Investor	0	0	0	0.00	0	0	0	0.0000	0.00
(e)	Any Other (Specify)	0	0	0	0.00	0	0	0	0.00	0.00
	Sub Total (A)(2)	0	0	0	0.00	0	0	0	0.0000	0.00
	Total Shareholding of Promoter and Promoter Group(A)=(A)(1)+(A)(2)	8371600	0	8371600	73.61	8371600	0	8371600	73.61	0.00

(B)	Public Shareholding									
[1]	Institutions									
(a)	Mutual Funds / UTI	0	0	0	0.00	0	0	0	0.00	0.00
(b)	Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
(c)	Alternate Investment Funds	0	0	0	0.00	0	0	0	0.00	0.00
(d)	Foreign Venture Capital Investors	0	0	0	0.00	0	0	0	0.00	0.00
(e)	Foreign Portfolio Investor	0	0	0	0.00	0	0	0	0.00	0.00
(f)	Financial Institutions / Banks	0	0	0	0.00	0	0	0	0.00	0.00
(g)	Insurance Companies	0	0	0	0.00	0	0	0	0.00	0.00
(h)	Provident Funds/ Pension Funds	0	0	0	0.00	0	0	0	0.00	0.00
(i)	Any Other (Specify)	0	0	0	0.00	0	0	0	0.00	0.00
	Sub Total (B)(1)	0	0	0	0.00	0	0	0	0.00	0.00
[2]	Central Government/ State Government(s)/ President of India									
	Sub Total (B)(2)	0	0	0	0.00	0	0	0	0.00	0.00
[3]	Non-Institutions									
(a)	Individuals									
(i)	Individual shareholders holding nominal share capital upto Rs. 1 lakh.	411817	0	411817	3.62	660602	0	660602	5.80	2.18
(ii)	Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	1980335	0	1980335	17.41	2110840	0	2110840	18.56	1.14
(b)	NBFCs registered with RBI	15000	0	15000	0.13	0	0	0	0.00	-0.13
(d)	Overseas Depositories (holding DRs) (balancing figure)	0	0	0	0.00	0	0	0	0.00	0.00
(e)	Any Other (Specify)									

	Hindu Undivided Family	55283	0	55283	0.48	136977	0	136977	1.20	0.71
	Non Resident Indians (Non Repat)	14	0	14	0.0001	100	0	100	0.0009	0.0008
	Non Resident Indians (Repat)	2976	0	2976	0.0262	8803	0	8803	0.0774	0.05
	Clearing Member	335843	0	335843	2.9533	1124	0	1124	0.0099	-2.94
	Bodies Corporate	198732	0	198732	1.7476	81554	0	81554	0.71	-1.03
	Sub Total (B)(3)	3000000	0	3000000	26.38	3000000	0	3000000	26.381	0.00
	Total Public Shareholding(B)= (B)(1)+(B)(2)+(B)(3)	3000000	0	3000000	26.3815	3000000	0	3000000	26.3815	0.00
	Total (A)+(B)	11371600	0	11371600	100.00	11371600	0	11371600	100.00	0.00
(C)	Non Promoter - Non Public									
	(C1) Shares Underlying DRs									
[1]	Custodian/DR Holder	0	0	0	0.00	0	0	0	0.00	0.00
	(C2) Shares Held By Employee Trust									
[2]	Employee Benefit Trust (under SEBI (Share based Employee Benefit) Regulations, 2014)	0	0	0	0.00	0	0	0	0.00	0.00
	Total (A)+(B)+(C)	11371600	0	11371600	100.00	11371600	0	11371600	100.00	

B) Shareholding of Promoter-

Sr No.	Name & Type of Transaction	Shareholding at the beginning of the year - 2019		Transactions during the year		Cumulative Shareholding at the end of the year - 2020	
		NO.OF SHARES HELD	% OF TOTAL SHARES OF THE COMPANY	DATE OF TRANSACTION	NO. OF SHARES	NO OF SHARES HELD	% OF TOTAL SHARES OF THE COMPANY
1	JAYESHKUMAR ASHMAL MEHTA	1751500	15.4024	-	-	1751500	15.4024
	AT THE END OF THE YEAR			-	-	1751500	15.4024
2	SATISH KUMAR ASAMAL MEHTA	1578550	13.8815	-	-	1578550	13.8815

	AT THE END OF THE YEAR			-	-	1578550	13.8815
3	ASAMAL SIREMAL MEHTA	1466950	12.9001	-	-	1466950	12.9001
	AT THE END OF THE YEAR			-	-	1466950	12.9001
4	UGAMDEVI ASHMAL MEHTA	1040600	9.1509	-	-	1040600	9.1509
	AT THE END OF THE YEAR			-	-	1040600	9.1509
5	SAGARDEEP ENGINEERS PRIVATE LIMITED	633500	5.5709	-	-	633500	5.5709
	AT THE END OF THE YEAR			-	-	633500	5.5709
6	AASHMALJI SIREMALJI MEHTA (HUF)	549000	4.8278	-	-	549000	4.8278
	AT THE END OF THE YEAR			-	-	549000	4.8278
7	SANGITA SATISH KUMAR MEHTA	329500	2.8976	-	-	329500	2.8976
	AT THE END OF THE YEAR			-	-	329500	2.8976
8	REKHA JAYESHKUMAR MEHTA	287000	2.5238	-	-	287000	2.5238
	AT THE END OF THE YEAR			-	-	287000	2.5238
9	SATISH A MEHTA (HUF)	219000	1.9259	-	-	219000	1.9259
	AT THE END OF THE YEAR			-	-	219000	1.9259
10	JAYESH ASHMALJI MEHTA (HUF)	207000	1.8203	-	-	207000	1.8203
	AT THE END OF THE YEAR			-	-	207000	1.8203
11	HARISH AASHMLJI MEHTA	128000	1.1256	-	-	128000	1.1256
	AT THE END OF THE YEAR			-	-	128000	1.1256
12	RAMESH ASMALJI MEHTA	102000	0.8970	-	-	102000	0.8970
	AT THE END OF THE YEAR			-	-	102000	0.8970
13	RINIKA HARISHKUMAR MEHTA	79000	0.6947	-	-	79000	0.6947
	AT THE END OF THE YEAR			-	-	79000	0.6947

C) Change in Promoter's Shareholding (please specify, if there is no change)

Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
At the beginning of the year	8371600	73.62	8371600	73.62
Transfer during the year	No change			
At the end of the year	8371600	73.62	8371600	73.62

**D) Shareholding Pattern of top ten Shareholders:
(Other than Directors, Promoters and Holders of GDRs and ADRs):**

Sr No.	Name & Type of Transaction	Shareholding at the beginning of the year - 2019		Transactions during the year		Cumulative Shareholding at the end of the year - 2020	
		NO. OF SHARES HELD	% OF TOTAL SHARES OF THE COMPANY	DATE OF TRANSACTION	NO. OF SHARES	NO OF SHARES HELD	% OF TOTAL SHARES OF THE COMPANY
1	ASHOK DEVJIBHAI PARMAR	522885	4.5982			522885	4.5982
	AT THE END OF THE YEAR					522885	4.5982
2	INANI SURESHKUMAR R	185000	1.6269			185000	1.6269
	Transfer			17 May 2019	3000	188000	1.6532
	Transfer			06 Sep 2019	(18000)	170000	1.4950
	AT THE END OF THE YEAR					170000	1.4950
3	NILESH JASHVANTLAL PATEL	132000	1.1608			132000	1.1608
	AT THE END OF THE YEAR					132000	1.1608
4	JASHWANTLAL MANILAL PATEL	108000	0.9497			108000	0.9497
	AT THE END OF THE YEAR					108000	0.9497
5	KADDI SHANKARAPPA	0	0.0000			0	0.0000
	Transfer			11 Oct 2019	5811	5811	0.0511
	Transfer			18 Oct 2019	2990	8801	0.0774
	Transfer			25 Oct 2019	18000	26801	0.2357
	Transfer			01 Nov 2019	20299	47100	0.4142
	Transfer			08 Nov 2019	14000	61100	0.5373
	Transfer			22 Nov 2019	500	61600	0.5417
	Transfer			31 Jan 2020	2730	64330	0.5657
	Transfer			07 Feb 2020	17337	81667	0.7182
	AT THE END OF THE YEAR					81667	0.7182

6	MUKESH S INANI	78000	0.6859			78000	0.6859
	AT THE END OF THE YEAR					78000	0.6859
7	G S KOTHARI HUF .	0	0.0000			0	0.0000
	Transfer			04 Oct 2019	75506	75506	0.6640
	Transfer			25 Oct 2019	(9000)	66506	0.5848
	Transfer			01 Nov 2019	9130	75636	0.6651
	Transfer			08 Nov 2019	4553	80189	0.7052
	Transfer			15 Nov 2019	(1267)	78922	0.6940
	Transfer			22 Nov 2019	(2470)	76452	0.6723
	Transfer			13 Dec 2019	50	76502	0.6727
	Transfer			03 Jan 2020	10	76512	0.6728
	Transfer			17 Jan 2020	430	76942	0.6766
	Transfer			24 Jan 2020	10	76952	0.6767
	Transfer			31 Jan 2020	(1000)	75952	0.6679
	Transfer			07 Feb 2020	473	76425	0.6721
	Transfer			21 Feb 2020	(98)	76327	0.6712
	Transfer			28 Feb 2020	(10)	76317	0.6711
	Transfer			20 Mar 2020	(50)	76267	0.6707
	Transfer			27 Mar 2020	(87)	76180	0.6699
	AT THE END OF THE YEAR					76180	0.6699
8	SIMA MUKESH INANI	72000	0.6332			72000	0.6332
	AT THE END OF THE YEAR					72000	0.6332
9	KAVITA LADULAL INANI	60000	0.5276			60000	0.5276
	AT THE END OF THE YEAR					60000	0.5276
10	INANI LADULAL MADANLAL	60000	0.5276			60000	0.5276
	AT THE END OF THE YEAR					60000	0.5276
11	SAFAL CAPITAL (INDIA) LIMITED	141128	1.2411			141128	1.2411
	Transfer			05 Apr 2019	(95)	141033	1.2402
	Transfer			26 Apr 2019	(11579)	129454	1.1384
	Transfer			03 May 2019	(1407)	128047	1.1260
	Transfer			10 May 2019	(4900)	123147	1.0829
	Transfer			17 May 2019	4232	127379	1.1202
	Transfer			24 May 2019	(8575)	118804	1.0447
	Transfer			31 May 2019	24355	143159	1.2589
	Transfer			07 Jun 2019	19979	163138	1.4346
	Transfer			14 Jun 2019	8281	171419	1.5074
	Transfer			21 Jun 2019	7324	178743	1.5718
	Transfer			29 Jun 2019	990	179733	1.5805
	Transfer			05 Jul 2019	(1000)	178733	1.5717
	Transfer			12 Jul 2019	3655	182388	1.6039
	Transfer			26 Jul 2019	3751	186139	1.6369

	Transfer			02 Aug 2019	(104148)	81991	0.7210
	Transfer			09 Aug 2019	1270	83261	0.7322
	Transfer			16 Aug 2019	(2070)	81191	0.7140
	Transfer			23 Aug 2019	(1800)	79391	0.6982
	Transfer			30 Aug 2019	(685)	78706	0.6921
	Transfer			27 Sep 2019	5000	83706	0.7361
	Transfer			11 Oct 2019	(83496)	210	0.0018
	Transfer			18 Oct 2019	8920	9130	0.0803
	Transfer			01 Nov 2019	(2130)	7000	0.0616
	Transfer			08 Nov 2019	(5000)	2000	0.0176
	Transfer			15 Nov 2019	1700	3700	0.0325
	Transfer			22 Nov 2019	(90)	3610	0.0317
	Transfer			29 Nov 2019	11	3621	0.0318
	Transfer			06 Dec 2019	140	3761	0.0331
	Transfer			13 Dec 2019	4982	8743	0.0769
	Transfer			20 Dec 2019	(4255)	4488	0.0395
	Transfer			27 Dec 2019	1312	5800	0.0510
	Transfer			31 Dec 2019	(5400)	400	0.0035
	Transfer			03 Jan 2020	(370)	30	0.0003
	Transfer			17 Jan 2020	110	140	0.0012
	Transfer			24 Jan 2020	62	202	0.0018
	Transfer			31 Jan 2020	29514	29716	0.2613
	Transfer			07 Feb 2020	(23639)	6077	0.0534
	Transfer			14 Feb 2020	(2418)	3659	0.0322
	Transfer			21 Feb 2020	(3448)	211	0.0019
	Transfer			28 Feb 2020	(189)	22	0.0002
	Transfer			06 Mar 2020	1185	1207	0.0106
	Transfer			13 Mar 2020	(1095)	112	0.0010
	Transfer			20 Mar 2020	(60)	52	0.0005
	Transfer			27 Mar 2020	37	89	0.0008
	Transfer			31 Mar 2020	(87)	2	0.0000
	AT THE END OF THE YEAR					2	0.0000
12	PARKER DERIVATIVES INDIA	60000	0.5276			60000	0.5276
	Transfer			05 Apr 2019	(1300)	58700	0.5162
	Transfer			12 Apr 2019	(16966)	41734	0.3670
	Transfer			19 Apr 2019	(585)	41149	0.3619
	Transfer			26 Apr 2019	(25659)	15490	0.1362
	Transfer			03 May 2019	(5839)	9651	0.0849
	Transfer			10 May 2019	(9651)	0	0.0000
	AT THE END OF THE YEAR					0	0.0000

E) Shareholding of Directors and Key Managerial Personnel:

Sr. No.	Shareholding of each Directors and each Key Managerial Personnel	Shareholding at the beginning of the year		Cumulative Shareholding during the Year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	SatishkumarAsamal Mehta				
	At the beginning of the year	1578550	13.88	1578550	13.88
	Date wise Increase / Decrease in Shareholding during the year	-	-	-	-
	At the end of the year	1578550	13.88	1578550	13.88
2	Jayeshkumar A Mehta				
	At the beginning of the year	1751500	15.40	1751500	15.40
	Date wise Increase / Decrease in Shareholding during the year	-	-	-	-
	At the end of the year	1751500	15.40	1751500	15.40
3	Hemendra B Patel	-	-	-	-
	At the beginning of the year	-	-	-	-
	Date wise Increase / Decrease in Shareholding during the year	-	-	-	-
	At the end of the year	-	-	-	-
4	Vinita P Maheshwari	-	-	-	-
	At the beginning of the year	-	-	-	-
	Date wise Increase / Decrease in Shareholding during the year	-	-	-	-
	At the end of the year	-	-	-	-
5	Jitendrakumar Patel				
	At the beginning of the year				
	Date wise Increase / Decrease in Shareholding during the year				
	At the end of the year				
6	Krishnakant Somani	-	-	-	-
	At the beginning of the year	-	-	-	-
	Date wise Increase / Decrease in Shareholding during the year	-	-	-	-
	At the end of the year	-	-	-	-
7	Nayan Pitroda*	-	-	-	-
	At the beginning of the year	-	-	-	-
	Date wise Increase / Decrease in Shareholding during the year	-	-	-	-
	At the end of the year	-	-	-	-

***Appointed from post of company secretary w.e.f 13.03.2020**

V. INDEBTEDNESS

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

<i>Particulars</i>	<i>Secured Loans excluding deposits</i>	<i>Unsecured Loans</i>	<i>Deposits</i>	<i>Total Indebtedness</i>
Indebtedness at the beginning of the financial year				
i) Principal Amount	959.59	-	-	959.59
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	959.59	-	-	959.59
Change in Indebtedness during the financial year				
* Addition	34.8	-	-	
* Reduction	-	-	-	-
Net Change	34.8	-	-	34.8
Indebtedness at the end of the financial year				
i) Principal Amount	994.39	-	-	994.39
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	994.39	-	-	994.39

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

<i>SN.</i>	<i>Particulars of Remuneration</i>	<i>Name of director MD/WTD</i>		<i>Total Amount</i>
		<i>Satish A Mehta (MD)</i>	<i>Jayesh A Mehta (WTD)</i>	<i>Total</i>
1	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	9,00,000/-	9,00,000/-	18,00,000/-
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-
2	Stock Option	-	-	
3	Sweat Equity	-	-	
4	Commission- as % of profit-others, specify...	-	-	
5	Others, please specify	-	-	
	Total (A)	9,00,000/-	9,00,000/-	18,00,000/-
	Ceiling as per the Act*			84.00lacs

* Due to inadequacy of Profit for the year 2019-20 & pursuant to Section 197 of the Companies Act, 2013 & Schedule V, the ceiling limit is being calculated amounting to Rs.84 Lacs on the basis of effective capital given in the Part –II of Schedule V.

B. Remuneration to other directors

Sr N o.	Particulars of Remuneration	Name of Directors			Total Amount
		Mr. Hemendra B Patel	Mr. Jitendrakumar Patel	Mrs. Vinita P Maheshwari	
1	Independent Directors	√	√	√	
	Fee for attending board committee meetings	-	-	-	-
	Commission	-	-	-	-
	Others, please specify	-	-	-	-
	Total (1)	-	-	-	-
2	Other Non- Executive Directors	-	-	-	-
	Fee for attending board committee meetings	-	-	-	-
	Commission	-	-	-	-
	Others, please specify	-	-	-	-
	Total (2)	-	-	-	-
	Total (B)=(1+2)	-	-	-	-
	Total Managerial Remuneration	-	-	-	-
	Overall Ceiling as per the Act	Rs. 1,00,000/- per meeting			

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/ WTD

Sr No	Particulars of Remuneration	Key Managerial Personnel			
		CFO Mr. Krishnakant Somani	CS Mr. Nayan Pratulbhai Pitroda	CS Mrs. Barkha Deshmuk	Total
1	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	326300	288200	20000	634500
	(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	326300	288200	20000	634500

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES

Type	Section of the Companies Act	Brief Description	Details of Penalty /Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)
A. COMPANY					
Penalty			NONE		
Punishment					
Compounding					
B. DIRECTORS					
Penalty			NONE		
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty			NONE		
Punishment					
Compounding					

Date: 27/07/2020

Place: Santej

**For and on behalf of board of directors
Satishkumar A Mehta
Chairman & Managing Director
(DIN: 01958984)**

Annexure- 'II'

Form No. MR-3
SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31st 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,
Sagardeep Alloys Limited
Ahmedabad, Gujarat.

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **SAGARDEEP ALLOYS LIMITED (CIN: L29253GJ2007PLC050007)** (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 **31st 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 **31st 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 thereunder;
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- 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.
- 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);**

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) The Employees' Provident Funds and Miscellaneous Provisions Act, 1952
- b) Employees' State Insurance Act, 1948
- c) The Factories Act, 1948
- d) The Minimum Wages Act, 1948, and rules made there under

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.

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. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

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 take 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 there were no other instances of:

- (i) Public/Rights/Preferential issue of Shares/debentures/sweat equity.
- (ii) Redemption/buy-back of securities.
- (iii) Major decisions taken by the members in pursuance to section 180 of the Companies Act, 2013
- (iii) Merger/ amalgamation etc.
- (iv) Foreign technical collaborations.

**For, Khandelwal Devesh and Associates,
Company secretaries,**

**Devesh Khandelwal
Proprietor
FCS: 6897
COP No.:4202
UDIN: F006897B000391699**

**Place: Ahmedabad
Date: 27/06/2020**

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

Annexure to Secretarial Audit Report

To,
The Members,
Sagardeep Alloys Limited
Ahmedabad, 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, Khandelwal Devesh and Associates,
Company secretaries,**

**Devesh Khandelwal
Proprietor
FCS: 6897,
COP No.:4202
UDIN: F006897B000391699**

**Place: Ahmedabad
Date:27/06/2020**

Annexure- 'III'

**SECRETARIAL COMPLIANCE REPORT OF SAGARDEEP ALLOYS LIMITED
FOR THE YEAR ENDED ON MARCH 31, 2020**

We, **Khandelwal Devesh & Associates.**, Company Secretaries, have examined:

- a) All the documents and records made available to us and explanation provided by Sagardeep Alloys Limited (“the listed entity”),
- b) The filings/ submissions made by the listed entity to the stock exchanges,
- c) Website of the listed entity,
- d) Any other document/ filing, as may be relevant, which has been relied upon to make this certification,

for the year ended on 31st March, 2020 (“Review Period”) in respect of compliance with the provisions of:

- a) the Securities and Exchange Board of India Act, 1992 (“SEBI Act”) and the Regulations, circulars, guidelines issued thereunder; and
- b) the Securities Contracts (Regulation) Act, 1956 (“SCRA”), rules made thereunder and the Regulations, circulars, guidelines issued thereunder by the Securities and Exchange Board of India (“SEBI”);

The specific regulations, whose provisions and the circulars/ guidelines issued thereunder, have been examined, include: -

- a) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
- b) Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
- c) Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- d) Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; **(Not Applicable during the review period)**
- e) Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; **(Not Applicable during the review period)**
- f) Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **(Not Applicable during the review period)**

- g) Securities and Exchange Board of India (Issue and Listing of Non-Convertible and Redeemable Preference Shares) Regulations, 2013 **(Not Applicable during the review period)**
- h) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- i) Securities and Exchange Board of India (Depository and Participants) Regulations, 2018;

and circulars/ guidelines issued thereunder;

and based on the above examination, We, hereby report that, during the period under review:

- a) The listed entity has complied with all the provisions of the above Regulations and circulars/ guidelines issued thereunder,
- b) The listed entity has maintained proper records under the provisions of the above Regulations and circulars/ guidelines issued thereunder in so far as it appears from our examination of those records.
- c) No action has been taken against the listed entity / its promoters/ directors either by SEBI or by Stock Exchanges (including under the Standard Operating Procedures issued by SEBI through various circulars) under the aforesaid Acts/ Regulations and circulars/ guidelines issued thereunder.
- d) There are no observation made in previous report.

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

**Devesh Khandelwal
Proprietor
FCS: 6897,
COP No.:4202
UDIN: F006897B000391688**

**Place: Ahmedabad
Date: 27/06/2020**

Annexure- 'IV'

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

Sr.No.	Requirements	Disclosure	
I.	The ratio of the remuneration of each director to the median remuneration of the employees for the financial year	MD	4.89 times
		WTD	4.89 times
II.	The percentage increase in remuneration of each director, CFO, CEO, CS in the financial year	24.33%	
III.	The percentage increase in the median remuneration of employees in the financial year	11.36%	
IV.	The number of permanent employees on the rolls of the Company as on 31 st March, 2020	12	
V.	Average percentile increases already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the 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	

Regd Office:

Plot No. 2070 , Rajnagar Patiya ,
SantejKhatrajRoad ,
SantejKalol,
Gandhinagar 382721

Date: 27/07/2020

Place: Santej

**By Order of the Board of Directors
For, Sagardeep Alloys Limited**

**Satishkumar Mehta
Chairman & Managing Director
(DIN: 01958984)**

MANAGEMENT’S DISCUSSION AND ANALYSIS

INDIAN ECONOMIC REVIEW

India has emerged as the fastest growing major economy in the world and is expected to be one of the top three economic powers of the world over the next 10-15 years backed by its strong democracy and partnership. Indian economy registered a growth rate of 6.8% in 2019-20. India has retained its position as the 3rd largest start up base in the world with over 4,750 technology start up. India’s Foreign Exchange reserve has crossed US\$ 400 billion mark which is the mark of stability for the country. The M & A activity reached a record of US\$ 129.4 billion in 2018 while private equity and venture capital investments reached US\$ 20.5 billion.

INDUSTRY STRUCTURE & DEVELOPMENT

The size of Indian copper industry (consumption of refined copper per annum) is around half a million tones which constitutes only 3 percent of the world copper market. Sterlite Industries, Hindalco Industries and Hindustan Copper are major producers of refined copper in India. India has emerged as net exporter of copper from the status of net importer on account of rise in production. In fact, copper as a metal came in use of man much earlier than iron. Copper has been used for making utensils and coins since long. Being a good conductor of electricity and ductile, it is extensively used in a vast variety of electrical machinery, wires and cables. It is also an important metal used by automobile and defense industries. Further, it is alloyed with iron and nickel to make stainless steel, with nickel to make ‘morel metal’ and with aluminium to make ‘duralumin’. When alloyed with zinc it is known as ‘brass’ and with tin ‘bronze’. Copper ore is found in ancient as well as in younger rock formations and occurs as veins, as dissemination and as bedded deposits. Mining for copper is a costly and a tedious affair because most of the copper ores contain a small percentage of the metal. Against the international average of metal content (in the ore) of 2.5 per cent, Indian ore grade averages less than one per cent.

SEGEMENT WISE PERFORMANCE

Our Company’s operations belong to a single segment and therefore no segment wise performance given.

OPPORTUNITIES AND THREATS

Our success as an organization depends on our ability to identify opportunities and leverage them while mitigating the risks that arise while conducting our business. During the financial year 2019-20, major decision of indulging into different business activities was taken in order to widen the operation of the Company. Looking into the opportunities into new business line, your directors are optimistic about future expansion and growth of our Company. Despite of identifying opportunities, there is always risk associated to it like Competition, General Economic and Business Conditions, legal and regulatory compliance etc.

OUTLOOK, RISKS & CONCERNS

Our Outlook, risks and concerns are as follows:

- A large part of our revenue depends on our top clients and loss of any one of major client may lead to negative impact on our business.

- Our success depends on our top management and key personnel and our ability to attract and retain them.
- Changes in policies of government of India or political instability may adversely affect economic conditions in India, which may lead to negative impact on our business.
- Any natural calamities such as earthquakes, storms, fire etc. may tend to affect our operational efficiency negatively.

INTERNAL CONTROL SYSTEM AND ADEQUACY

The Company has an adequate internal control system commensurate with its size and the nature of its business in order to achieve efficiency in operation and optimum utilization of resources. These controls ensure safeguarding of assets, reduction and detection of fraud and error, adequacy and completeness of the accounting records and timely preparation of reliable financial information.

RATIOS

SR.NO.	PARTICULARS	RATIOS FOR F.Y.	
		19-20	18-19
1.	Debtors Turnover		
	Formula Debtors Turnover Ratio = Net Credit Sales/Average Account Receivable.	2.19 Times	2.10 Times
	Definition The Debtors Turnover Ratio also called as Receivables Turnover Ratio shows how quickly the credit sales are converted into the cash. This ratio measures the efficiency of a firm in managing and collecting the credit issued to the customers.		
2	Inventory Turnover		
	Formula Inventory Turnover= Sales/Inventory	3.93 Times	8.24 Times
	Definition Inventory turnover is a ratio showing how many times a company has sold and replaced inventory during a given period. A company can then divide the days in the period by the inventory turnover formula to calculate the days it takes to sell the inventory on hand		
3	Interest Coverage Ratio		

Formula	Interest Coverage Ratio= Interest Expense/ EBIT	0.75 Times	0.28 Times
Definition	The interest coverage ratio measures how many times a company can cover its current interest payment with its available earnings. The ratio is calculated by dividing a company's earnings before interest and taxes (EBIT) by the company's interest expenses for the same period.		
4	Current Ratio		
Formula	Current Ratio=Current assets/ Current liability	1.68 Times	1.66 Times
Definition	The current ratio is a liquidity ratio that measures whether a firm has enough resources to meet its short-term obligations. It compares a firm's current assets to its current liabilities, and is expressed as follows: The current ratio is an indication of a firm's liquidity.		
5	Debt Equity Ratio		
Formula	Debt Equity Ratio = Debt/Total Equity	0.38 Times	0.37 Times
Definition	The debt-to-equity ratio is a financial ratio indicating the relative proportion of shareholders' equity and debt used to finance a company's assets. Closely related to leveraging, the ratio is also known as risk, gearing or leverage.		
6	Operating Profit Margin		
Formula	Operating profit margin = Operating income ÷ Total revenue	0.14 Times	0.12 Times
Definition	In business, operating margin—also known as operating income margin, operating profit margin, EBIT margin and return on sales —is the ratio of operating income to net sales, usually presented in percent. Net profit measures the profitability of ventures after accounting for all costs.		

7	Net Profit Margin		
Formula	Net Profit Margin = Net Profit / Sales	0.0077	0.034
		Times	Times
Definition	The net profit percentage is the ratio of after-tax profits to net sales. It reveals the remaining profit after all costs of production, administration, and financing have been deducted from sales, and income taxes recognized.		

FINANCIAL AND OPERATIONAL PERFORMANCE

Refer the point no 1 of the director reports.

HUMAN RESOURCES AND INDUSTRIAL RELATIONS

The industrial relations remained cordial throughout the year. The employees of the Company have extended a very productive cooperation in the efforts of the management to carry the Company to greater heights. Continuous training down the line is a normal feature in the Company to upgrade the skills and knowledge of the employees and workmen of the Company.

COVID-19

Due to spread of Novel Corona Virus (COVID-19) Our Plant was dosed w.e.f. March 23, 2020 to April 20, 2020 (28 days) due to lockdown however, we got permission on April 20, 2020 from concerned authorities, subject to fulfilment of certain conditions, to partially start production operations.

CAUTIONARY STATEMENT

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

Regd Office:
Plot No. 2070, Rajnagar Patiya,
SantekhatrajRoad,
SantekKalol,
Gandhinagar 382721

Date: 27/07/2020
Place: Ahmedabad

By Order of the Board of Directors
For, Sagardeep Alloys Limited

Satishkumar Mehta
Chairman & Managing Director
(DIN: 01958984)

Corporate Governance Report

The Company believes that sound Corporate Governance is crucial for enhancing and retaining investor trust and your Company always seeks to ensure that its performance goals are met accordingly. Corporate Governance is a set of principles, processes and systems which govern a company. The elements of Corporate Governance are independence, transparency, accountability, responsibility, compliance, ethics, values and trust. Corporate Governance enables an organization to perform efficiently and ethically generate long term wealth and create value for all its stakeholders.

The Company has established systems and procedures to ensure that its Board of Directors is well informed and well equipped to fulfill its overall responsibilities and to provide management with the strategic direction needed to create long term shareholders’ value. The Company has adopted many ethical and transparent governance practices even before they were mandated by law. The Company has always worked towards building trust with shareholders, employees, customers, suppliers and other stakeholders based on the principles of good corporate governance.

1. COMPANY’S CORPORATE GOVERNANCE PHILOSOPHY

In line with the Sagardeep Group philosophy, your Company firmly believes in adherence to good corporate governance practices and constant efforts are made to improve such practices and to adopt emerging best practices. Your Company is committed to continuously scaling up its corporate governance standards. The Company’s essential character revolves around values based on transparency, integrity, professionalism and accountability. The Company has adopted a Code of Conduct for its employees including the Managing Director and the Executive Directors. In addition, the Company has adopted a Code of Conduct for its non-executive directors which includes Code of Conduct for Independent Directors which suitably incorporates the duties of independent directors as laid down in the Act.

CORPORATE GOVERNANCE GUIDELINES

The Management continuously strives to follow the global best practices and timely disclosure of accurate information pertaining to financials & performance in accordance with good governance practices. The Company has a strong legacy of fair, transparent and ethical governance practices.

2. BOARD OF DIRECTORS

a. Composition of the Board:

The Board of Directors along with its committees provide the requisite leadership and guidance to the Company’s senior management team and also direct, supervise and closely monitor the performance of the Company.

The Company’s policy is to have an appropriate mix of Executive, Non-Executive & Independent Directors. As on March 31, 2020, the Board comprises of 5 (Five) Directors, of which, 2 (Two) are Executive Directors, 3 (Three) are Independent Directors. The Board is chaired by Mr. Satishkumar A Mehta, Managing director. The Composition of the Board is in conformity with the provisions of the Act and Regulation 17 of the LODR.

Further Board had appointed Mr. Parimal Patwa as Additional Director under the category of Non Independent, Non-Executive and Non Promoter Director as on 22nd May, 2020.

None of the Directors on the Company's Board is a member of more than 10 Committees and chairman of more than 5 Committees across all Public Limited companies including listed entities in which he/she is a Director.

Kindly refer the Board Report for other details.

b. Meetings of the Board:

The Board Meetings are held at regular intervals with a time gap of not more than 120 days between two consecutive meetings. Additional meetings are held whenever deemed necessary for the conduct of business. During the year under review, 6 board meetings were held 26/04/2019, 13/05/2019, 30/05/2019, 12/08/2019, 14/11/2019 and 03/02/2020.

All the directors of the Company have confirmed that they are not disqualified from being appointed as directors in terms of Section 164 of the Companies Act, 2013.

The Independent Directors met on 03/02/2020 to discuss the performance evaluation of the Board, Committees, Chairman and the individual Directors.

The Company Secretary prepares the agenda and the explanatory notes, in consultation with the Chairman and circulates the same in advance to the Directors. Every Director is free to suggest the inclusion of any item(s) on the agenda. The Board meets at least once in every quarter or half year, inter alia, to review the quarterly or half yearly financial results. The Company also provides Video Conference facility, if required, for participation of the Directors at the Board/Committee Meetings. Presentations are made on business operations to the Board by the Managing Director of the Company. Senior Management Personnel are invited to provide additional inputs for the items being discussed by the Board of Directors as and when necessary.

The Minutes of the proceedings of the Meetings of the Board of Directors are noted and the draft minutes are circulated amongst the Members of the Board for their perusal. Comments, if any, received from the Directors are also incorporated in the Minutes, in consultation with the Chairman. Thereafter the minutes are signed by the Chairman of the Board at the next meeting.

The following is the composition of the Board of Directors as on March 31, 2020. The Directors strive to attend all the Board / Committee meetings. Their attendance at the Meetings held during the year and at the last AGM was as under:

Name of Director	Category	Meetings held during the year	No. of Board Meetings attended	Attendance at last AGM
Mr. Satishkumar Asamal Mehta	Chairman & Managing Director	6	6	Yes
Mr. Jayeshkumar Ashmal Mehta	Whole Time Director	6	6	Yes
Mr. Hemendrabhai Bhailal Patel	Independent Director	6	6	Yes
Mrs. Vinita Pankaj Maheshwari	Independent Director	6	6	Yes

Mr. JitendrakumarDhanjibhai Patel	Independent Director	5	5	Yes
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None of the Directors hold the office of director in more than the permissible number of companies under Section 165 of the Act or Regulation 17A of the LODR.

None of the Directors hold the office of director in listed entities (whose equity and debt securities are listed).

The number of shares held by the board as on 31st March, 2020 is disclosed in **Annexure 'I'** of the board report. The board of directors don't hold any convertible instruments of the company.

Number of Membership in Board, Membership and Chairman Ship in Committees excluding our Company:

Name of Director	Category	No. of Board Membership	No. of Membership in Committees	No. of Chairmanship in Committees
Mr. Satishkumar Asamal Mehta	Chairman & Managing Director			
Mr. Jayeshkumar Ashmal Mehta	Whole Time Director			
Mr. Hemendrabhai Bhailal Patel	Independent Director	2	Nil	Nil
Mrs. Vinita Pankaj Maheshwari	Independent Director	1	Nil	Nil
Mr. Jitendrakumar Dhanjibhai Patel	Independent Director	Nil	Nil	Nil

Relationship Between the Directors

Name of Director	Category	Relationship between the Directors
Mr. Satishkumar Asamal Mehta	Chairman & Managing Director	Brother of Mr. Jayeshkumar Ashmal Mehta
Mr. Jayeshkumar Ashmal Mehta	Whole Time Director	Brother of Mr. Satishkumar Asamal Mehta
Mr. Hemendrabhai Bhailal Patel	Independent Director	No Relation
Mrs. Vinita Pankaj Maheshwari	Independent Director	No Relation
Mr. Jitendrakumar Dhanjibhai Patel	Independent Director	No Relation

c. Information to the Board:

The Board of Directors has complete access to the information within the Company, which inter alia includes –

- Annual revenue budgets and capital expenditure plans
- Quarterly results and results of business segments
- Financing plans of the Company
- Minutes of meeting of Board of Directors, Audit Committee, Nomination & Remuneration Committee, Stakeholders Relationship Committee, Corporate Social Responsibility Committee and Risk Management Committee
- Details of any joint venture, acquisitions of companies or collaboration agreement
- Fatal or serious accidents, dangerous occurrences, any material effluent or pollution problems.
- Any materially relevant default, if any, in financial obligations to and by the Company or substantial non-payment for goods sold or services rendered, if any
- Any issue, which involves possible public or product liability claims of substantial nature, including any Judgment or Order, if any, which may have strictures on the conduct of the Company
- Developments in respect of human resources
- Compliance or Non-compliance of any regulatory, statutory nature or listing requirements and investor service such as non-payment of dividend, delay in share transfer, etc., if any
- The Board has identified the following skills/ expertise/ competencies fundamental for the effective functioning of the Company which are currently available with the Board

Skill Area/ Expertise/Competence	Description
Leadership	Ability to envision the future and prescribe a strategic goal for the Company, help the Company to identify possible road maps, inspire and motivate the strategy, approach, processes and other such key deliverables and mentor the leadership team to channelize its energy/efforts in appropriate direction.
Strategy and planning	Ability to think strategically; identify and critically assess strategic opportunities and threats.
Global Experience / International Exposure	Ability to have access and understand business models of global corporations, relate to the developments with respect to leading global corporations and assist the Company to adapt to the local environment, understand the geo political dynamics and its relations to the Company's strategies and business prospects and have a network of contacts in global corporations and industry worldwide.
Governance, Management Compliance	Risk and Commitment, belief and experience in the application of corporate governance principles and setting up corporate governance practices to support the Company's robust legal, risk and compliance systems and governance policies/practices.
Engineering Research & Development	Domain knowledge in businesses and closely follow the technology trends in the ER&D industry and focus on key technology areas that impact the various verticals we operate viz. digital engineering, mobility and augmented reality, IOT, automation of Knowledge, robotics, autonomous & near-autonomous vehicles, imaging and video.
Finance, Accounts & Audit	Qualifications and/or experience in accounting and/or finance or the ability to understand financial policies, disclosure practices, financial statements and critically assess financial viability and performance

Relationship with Clients/ Customers	Experience in engaging with management of businesses and organizations and other customers to assess business needs and ability to maintain positive relationships with clients / customers over time.
Stakeholder Engagement & Industry advocacy	Ability to engage with key stakeholders including relevant industry investor and business customers to effectively engage/network and communicate with them.
Contributor and collaborator	The ability to critically analyze complex and detailed information, deal appropriately with key issues and suggest solutions to problems.

A Chart Setting out the Skills of the Board of Director as on March 31, 2020 is as under: -
(We have referred the skills by numbers 1: Leadership, 2: Strategy and planning, 3: Global Experience / International Exposure, 4: Governance, Risk Management and Compliance, 5: Engineering Research & Development, 6: Finance, Accounts & Audit, 7: Relationship with Clients/ Customers, 8: Stakeholder Engagement & Industry advocacy and 9: Contributor and collaborator)

Name of Director	Category	Area of Skill Area/ Expertise/Competence								
		1	2	3	4	5	6	7	8	9
Mr. Satishkumar Asamal Mehta	Chairman & Managing Director	✓	✓	✓	✓	✓	✓	✓	✓	✓
Mr. Jayeshkumar Ashmal Mehta	Whole Time Director	✓	✓		✓	✓	✓	✓	✓	✓
Mr. Hemendrabhai Bhailal Patel	Independent Director	✓		✓	✓	✓		✓	✓	✓
Mrs. Vinita Pankaj Maheshwari	Independent Director	✓	✓	✓	✓		✓	✓		✓
Mr. Jitendrakumar Dhanjibhai Patel	Independent Director		✓		✓	✓	✓	✓		✓

CODE OF CONDUCT FOR BOARD & SENIOR MANAGEMENT PERSONNEL

Your Company has adopted a Code of Conduct for Board Members & Senior Management Personnel and the declaration from the Managing Director, stating that all the Directors and the Senior Management Personnel of your Company have affirmed compliance with the Code of Conduct has been included in this Report. The Code has been posted on your Company's website at www.sagardeep.com.

BOARD COMMITTEES

The Board currently has the following three Committees:

- 1) Audit Committee,
- 2) Nomination and Remuneration Committee,
- 3) Stakeholders' Relationship Committee.

The terms of reference of the Board Committees are in compliance with the provisions of the Act the LODR and are also decided by the Board from time to time. The Board is responsible for constituting, assigning and appointing the members of the Committees. Draft minutes of the committee meetings are circulated to the members of those committees for their comments and thereafter, confirmed in its next meeting, in terms of Secretarial Standard on Meeting of the Board of Directors (SS-1) issued by the Institute of Company Secretaries of India.

The Board of Directors also takes note of the minutes of the committee meetings held in the previous quarter, at its meetings. The brief description of terms of reference of the Committees, the composition of the Committees including the number of meetings held during the financial year and the related attendance are provided below.

3. AUDIT COMMITTEE

❖ Terms of Reference

1. Oversight of the Issuer's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
2. Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the statutory auditor and the fixation of audit fees.
3. Review and monitor the auditor's independence and performance, and effectiveness of audit process.
4. Approval of payment to statutory auditors for any other services rendered by the statutory auditors.
5. Examination of the financial statement and the auditors' report thereon.
6. Reviewing, with the management, the annual financial statements before submission to the board for approval, with particular reference to:
 - a. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (2AA) of section 217 of the Companies Act, 1956
 - b. Changes, if any, in accounting policies and practices and reasons for the same
 - c. Major accounting entries involving estimates based on the exercise of judgment by management
 - d. Significant adjustments made in the financial statements arising out of audit findings
 - e. Compliance with listing and other legal requirements relating to financial statements
 - f. Disclosure of any related party transactions
 - g. Qualifications in the draft audit report.
7. Reviewing, with the management, the half yearly financial statements before submission to the board for approval.
8. approval or any subsequent modification of transactions of the company with related parties;
9. scrutiny of inter-corporate loans and investments;
10. valuation of undertakings or assets of the company, wherever it is necessary;
11. evaluation of internal financial controls and risk management systems;
12. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter.
13. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems.
14. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
15. Discussion with internal auditors any significant findings and follow up there on.
16. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board.
17. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
18. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of nonpayment of declared dividends) and creditors.
19. To review the functioning of the Whistle Blower mechanism, in case the same is existing.

20. Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience & background, etc. of the candidate.

21. The Audit Committee shall mandatorily review the following information:

- a. Management discussion and analysis of financial condition and results of operations;
- b. Statement of significant related party transactions (as defined by the audit committee), submitted by management;
- c. Management letters / letters of internal control weaknesses issued by the statutory auditors;
- d. Internal audit reports relating to internal control weaknesses; and 105
- e. The appointment, removal and terms of remuneration of the Chief internal auditor shall be subject to review by the Audit Committee
- f. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee and as required to be carried out as per applicable law including listing agreement.

❖ Composition

As on March 31, 2020 the Audit Committee was comprising of two Independent Directors and One Executive Director. The Chairman of the Committee is an Independent Director.

❖ Meetings

During the year ended March 31, 2020, Audit Committee met 4 (Four) times 30/05/2019, 12/08/2019, 14/11/2019 and 03/02/2020.

Name of Director	Category	Meetings held during the year	No. of Meetings attended
Mr. JitendrakumarDhanjibhai Patel	Chairman	4	4
Mr. SatishkumarAsamal Mehta	Member	4	4
Mrs. Vinita Pankaj Maheshwari	Member	4	4

Meetings held during the year are expressed as number of meetings eligible to attend.

All the members of Audit Committee are financially literate and have accounting and financial matters experience.

The Managing Director and CFO of the Company are permanent invitees of the Meetings of Audit Committee. Statutory and Internal Auditors or their representatives are permanent invitees for the meetings of the Committee. The Company Secretary is the Secretary to the Committee.

Internal Audit:

M/s. Vishwas Sharma & Associates are the Internal Auditors of the Company. Over a period, auditors have gained knowledge about the businesses of the Company, its systems & procedures. They are reviewing from time to time, Company's systems of internal controls covering financial, operational, compliance, IT applications, etc. and presentations were made to the Audit Committee on quarterly basis covering the scope of their audit and their findings. To maintain its objectivity and independence, the Internal Auditor reports to the Chairman of the Audit Committee and significant audit observations, comments and corrective actions thereon are presented to the Audit Committee in its meeting.

4. NOMINATION AND REMUNERATION COMMITTEE

❖ Terms of Reference

1. To formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy relating to the level and composition of remuneration of the directors, key managerial personnel and other employees.
2. Formulation of criteria for evaluation of independent directors and the Board.
3. To ensure that the relationship of remuneration to performance is clear and meets appropriate performance benchmarks.
4. Devising a policy on Board diversity.
5. Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal.
6. To carry out any other function as required to be carried out as per applicable law including listing agreement.

❖ Composition

As on March 31, 2020 the NRC comprised of three Independent Directors and a Non-Executive Chairman of the Board. The Chairman of the Committee is an Independent Director.

❖ Meetings

During the year ended March 31, 2020, the NRC committee met 2 (Two) times 26/04/2019 and 13/05/2019.

Name of Director	Category	Meetings held during the year	No. of Meetings attended
Mr. JitendrakumarDhanjibhai Patel	Chairman	2	2
Mr. Hemendrabhai Bhailal Patel	Member	2	2
Mrs. Vinita Pankaj Maheshwari	Member	2	2

❖ Performance Evaluation Criteria For Independent Directors

While screening, selecting and recommending to the Board new members, the NRC ensures that the Board is objective, there is absence of conflict of interest, ensures availability of diverse perspectives, business experience, legal, financial & other expertise, integrity, managerial qualities, practical wisdom, ability to read & understand financial statements, commitment to ethical standards and values of the Company and ensure healthy debates & sound decisions.

While evaluating the suitability of a Director for re-appointment, besides the above criteria, the NRC considers the past performance, attendance & participation in and contribution to the activities of the Board by the Director.

The Independent Directors comply with the definition of Independent Directors as given under Section 149(6) of the Act and Regulation 16(1)(b) of the LODR. While appointing/re-appointing any Independent

Directors/ Non-Executive Directors on the Board, the NRC considers the criteria as laid down in the Act and the LODR.

All the Independent Directors give a certificate confirming that they meet the “independence criteria” as mentioned in Section 149(6) of the Act and the LODR.

The Board has taken on record the declaration and confirmation submitted by the Independent Directors after assessing the veracity of the same.

Further, the Board is of the opinion that the Independent Directors fulfil the conditions specified in the LODR and are independent of the management.

5. REMUNERATION OF DIRECTORS:

Remuneration Policy

The remuneration of the Board members is based on the Company’s size & global presence, its economic & financial position, industrial trends, compensation paid by the peer companies, etc. Compensation reflects each Board member’s responsibility and performance. The level of compensation to Executive Directors is designed to be competitive in the market for highly qualified executives.

The Whole Time Directors are paid remuneration by way of salary, perquisites, variable pay and commission, wherever applicable based on recommendation of the NRC, approval of the Board and the shareholders. The commission is based on the performance of the business/ function as well as other qualitative factors. The commission is calculated with reference to net profits of the Company in the financial year subject to overall ceilings stipulated under Section 197 of the Act.

There were no pecuniary relationships or transactions of the Non-Executive Directors vis-à-vis Company

Details of Remuneration Paid/Payable to Directors for the Year Ended March 31, 2020.

Salient features of the policy on remuneration of executive and non-executive directors are as under:

(a) Executive Directors:

The Board of Directors in consultation with the Nomination and Remuneration Committee decides on the remuneration payable to the Managing Director / Whole Time Director. The total remuneration to the Managing Director comprises fixed component consisting of salary and perquisites in accordance with Company’s policy and a profit linked incentive.

The details of remuneration paid/payable to the Executive Directors are as follows:

Name of Director	Category	Salary
Mr. SatishkumarAsamal Mehta	Chairman &Managing Director	Rs. 9,00,000/-
Mr. JayeshkumarAshmalMehta	Whole Time Director	Rs. 9,00,000/-

Notice period for termination of appointment of Managing Director and other Whole-time Directors is three months on either side.

(b) Independent Directors/Non-Executive Director:

Non-Executive Directors can be paid sitting fees for attending the Board and Committee meetings. The reimbursement of actual expense directly related to the travel and out-of-pocket expenses, if any, incurred by them is made.

The detail of remuneration paid/payable to the Independent Director/Non-Executive Directors is as follows:

Name of Director	Category	Salary
Mr. Hemendrabhai Bhailal Patel	Independent Director	Nil
Mrs. Vinita Pankaj Maheshwari	Independent Director	Nil
Mr. Jitendrakumar Dhanjibhai Patel	Independent Director	Nil

None of the Directors of the Company has been granted any Stock Options during the year. Moreover, there is no separate provision for payment of severance fees to the Directors.

6. STAKEHOLDERS' RELATIONSHIP COMMITTEE

❖ **Terms of Reference**

1. To specifically look into the timely redressal of shareholder and investors including complaints in respect of transfer of shares, non-receipt of balance sheet, non-receipt of declared dividends etc
2. To review and approve transfer or transmission of shares & other securities
3. To review and approve issue of duplicate share certificate on split/consolidation/renewal etc
4. To carry out any other function as required to be carried out as per applicable law including listing agreement.

❖ **Composition**

The Stakeholders' Relationship Committee (SRC) as on March 31, 2020, comprised of three Independent Directors as its members. The Chairman of the Committee is a Non-Executive Director Independent Director of the Company.

❖ **Meetings**

During the year ended March 31, 2020, the SRC committee met 1 (One) time on 03/02/2020.

The attendance of Members at the Meetings was as follows:

Name of Director	Category	Meetings held during the year	No. of Meetings attended
Mrs. Vinita Pankaj Maheshwari	Chairman	1	1
Mr. Jitendrakumar Dhanjibhai Patel	Member	1	1
Mr. Satishkumar Asamal Mehta	Member	1	1

Meetings held during the year are expressed as number of meetings eligible to attend.

❖ Number of Requests/Complaints

During the year, the Company didn't receive any complaints.

The details of the Complaints received by the company and its RTA are as follows.

Particulars	Opening Balance	Received	Resolved	Pending
SEBI	-	-	-	-
Stock Exchange	-	-	-	-
Dividend Related	-	-	-	-
Transmission/ Transfer	-	-	-	-
Demat/Remat	-	-	-	-

❖ COMPLIANCE OFFICER

Mr. Nayan P. Pitroda has been appointed as company secretary and Compliance officer of the company w.e.f. 13/05/2019.

Other information:

Directors' Familiarization Program

All directors are aware and are also updated as and when required of their responsibilities, roles and liabilities.

The Board of Directors has complete access to the information within the Company. Minutes of all committees are being included as a part of Agenda to the Board. Systems, procedures and resources are in place to ensure that every Director is supplied, in a timely manner, with precise and concise information in a form and of a quality appropriate to effectively enable / discharge his / her duties. The Directors are given time to study the data and contribute effectively to the Board discussions.

Presentations are made regularly to the Board / NRC / Audit Committee (AC) where Directors get an opportunity to interact with senior management. Presentations, inter alia, cover business strategies, management structure, HR policy, succession planning, quarterly and annual results, budgets, review of Internal Audit, Corporate Social Responsibility and risk management framework etc.

Independent Directors through their interactions and deliberations give suggestions for improving overall effectiveness of the Board and its Committees. Independent Directors have the freedom to interact with the Company's management.

As part of the appointment letter issued to Independent Directors, the Company has stated that it will facilitate attending seminars/programs/conferences designed to train directors to enhance their role as an Independent Director. The details of Directors' Familiarization Program are uploaded on website of the Company i.e. www.sagardeep.com.

7. GENERAL BODY MEETINGS

The last Four Annual General Meetings of the Company were held as under:

Financial Year	Date	Venue	Time	Special Resolution Passed At AGM
2018-19	25 th September, 2019	PLOT NO. 2070 , RAJNAGAR PATIYA , SANTEJ KHATRAJ ROAD ,SANTEJ KALOL Gandhinagar GJ 382721 IN	11.30 A.M.	No
2017-2018	25 th July, 2018	205, Pittaliya Bumba, Nr. Madhuram Cinema, GheeKatha, Ahmedabad-380001	11.30 A.M.	Yes
2016-2017	21 st September, 2017	205, Pittaliya Bumba, Nr. Madhuram Cinema, GheeKatha, Ahmedabad-380001	11.30 A.M.	No
2015-2016	30 th September, 2016	205, Pittaliya Bumba, Nr. Madhuram Cinema, GheeKatha, Ahmedabad-380001	11.00 A.M.	No

The following Special Resolutions were passed by the members during the past three Annual General Meetings:

Annual General Meeting Held on 25th July, 2018

- To shift the registered office of the company

Special Resolutions passed through Postal Ballot:

No other resolution was passed through Postal ballot during the Financial Year 2019-20

8. MEANS OF COMMUNICATION

Means of Communication:	
Financial Results	The results are also posted on the Company's website www.sdalloys.com .
Website	The Company's website www.sdalloys.com provides comprehensive information about its portfolio of businesses. Section on "Investors" serves to inform and service the Shareholders allowing them to access information at their convenience. The quarterly shareholding pattern of the Company is available on the website of the Company as well as the stock exchanges. The entire Annual Report and Accounts of the Company will also be made available on the websites of the Stock Exchanges. Annual Report and accounts of the Company and its subsidiaries will be available on the website of the Company in downloadable format.
Filing with Stock Exchanges	Information to Stock Exchanges is now being also filed online on NEAPS for NSE
Annual Report	Annual Report is circulated to all the members and all others like auditors, secretarial auditor, equity analysts, etc
Management Discussion & Analysis	This will form a part of the Annual Report which is mailed to the shareholders of the Company.
Presentations/ Investor call made to Institutional Investors and Analysts	The schedule of analyst/institutional investor meets and presentations if made to them are placed on the website of the Company. The quarterly Earning Conference call transcript is made available to the investors on the Company's website

Compliance Monitoring System

The statutory compliance has become a catalyst for Corporate Governance. A good statutory compliance system has become vital for effective conduct of business operations. As a major portion of the Company's business is conducted abroad, apart from ensuring compliance with Indian statutes, the Company also complies with the statutes of the countries where the Company has presence.

With a view to strengthen this system, the Company has taken steps to automate the said system and has framed a web-based portal which will provide the users a web-based access, controls based on a defined authorization matrix. Besides connecting all the Compliance owners across time zones to a common corporate platform, the portal is expected to serve as a repository of the compliance exercise yielding substantial saving in resources and efforts for tracking compliance. The Company is taking steps to build this Statutory Compliance Monitoring system.

9. GENERAL SHAREHOLDERS' INFORMATION

ANNUAL GENERAL MEETING

The AGM of the Company to be convened on Thursday, 27th August 2020 at the registered office of the company 205, Pittalaya Bamba, Nr. Madhuram Cinema, Ghee Kantha, Ahmedabad -380001.

FINANCIAL YEAR

The financial year of the Company is from April 1 to March 31.

FINANCIAL CALENDAR

Annual Results of 2019-20	27 th June, 2020
Mailing of Annual Reports*	03 rd August, 2020
First Quarter Results*	14 th August, 2019
Annual General Meeting	27 th August, 2020
Second Quarter results*	14 th November, 2019
Third Quarter results*	14 th February, 2020
Fourth Quarter* / Annual results	30 th May, 2021

*Tentative Dates

BOOK CLOSURE

The dates of book closure are from Thursday 21st August, 2020 to Thursday 27th August, 2020.

DIVIDEND

The Board of Directors of the Company had adopted the Dividend Distribution Policy in line with the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015. The Policy is uploaded on the Company's website at www.sdalloys.com.

The Dividend, if declared, will be paid within the statutory time limit to the eligible members of the Company.

LISTING OF EQUITY SHARES ON STOCK EXCHANGES

Initially at beginning of the F.Y. 18-19 the equity shares of the company were listed on NSE Emerge, later on the company migrated from NSE Emerge to NSE Main Board w.e.f. 25/01/2019.

LISTING FEES TO STOCK EXCHANGES

The Company has paid the Listing Fees for the year 2020-2021 to the above Stock Exchanges.

CUSTODIAL FEES TO DEPOSITORIES

The Company has paid custodial fees for the year 2020-2021 to National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL).

STOCK CODE/SYMBOL:

Symbol (NSE)	SAGARDEEP
ISIN	INE976T01013
Corporate Identification Number	L29253GJ2007PLC050007

DISTRIBUTION OF SHAREHOLDING AS ON 31.03.2020:

Sr._No.	Shareholding of Shares	Number of Shareholders	% of Total Shareholders	Shares	% of Total Share Capital
1	1 to 500	472	64.2177	28164	0.2477
2	501 to 1000	40	5.4422	30708	0.27
3	1001 to 2000	50	6.8027	73100	0.6428
4	2001 to 3000	14	1.9048	35851	0.3153
5	3001 to 4000	10	1.3605	35816	0.315
6	4001 to 5000	10	1.3605	44428	0.3907
7	5001 to 10000	73	9.932	472754	4.1573
8	10001 to 9999999999	66	8.9796	10650779	93.6612
TOTAL :		735	100	11371600	100

Kindly refer Annexure 'I' of the board report Categories of equity shareholding, Promoter Shareholding, Director & KMP Shareholding and Top Ten Equity Shareholders holding as on 31st March, 2020.

STOCK MARKET DATA FOR THE YEAR 2019-2020:

Month	SAGARDEP Stock Price		
	High	Low	Month Close
2019			
April	61.50	48.35	53.65
May	58.00	34.10	43.10
June	59.70	43.20	55.10
July	63.00	53.90	56.50
August	58.40	51.30	57.85
September	60.70	45.05	45.05
October	57.20	41.80	55.85
November	81.95	53.65	76.75
December	84.50	71.10	71.10
2020			
January	81.40	55.75	81.35
February	89.85	74.90	80.95
March	87.90	49.00	56.00

PLANT LOCATIONS

Plot No. 2070 , Rajnagar Patiya ,
Santej Khatraj Road ,
Santej Kalol Gandhinagar 382721

ADDRESS FOR CORRESPONDENCE

Address of RTA:

Link Intime India Private Ltd
C-101, 247 Park, L.B.S. Marg, Vikhroli
(West), Mumbai – 400 083

Address of Compliance Officer:

Nayan P. Pitroda
Plot No. 2070, Rajnagar Patiya,
Santej Khatraj Road,
Santej Kalol Gandhinagar 382721

SHARE TRANSFER SYSTEM

The Company's investor services are handled by Link Intime India Private Limited who are the Company's RTA. Pursuant to SEBI press release dated December 3, 2018, except in case of transmission or transposition of securities, requests for effecting transfer of securities after April 1, 2019, shall not be processed by the Company unless the securities are held in the dematerialized form with a depository.

DEMATERIALIZATION OF SHARES AND LIQUIDITY

Physical shares received for dematerialization are processed and completed within a period of 21 days from the date of receipt.

As required under Regulation 40 of the LODR a certificate on half yearly basis confirming due compliance of share transfer formalities by the Company from Practicing Company Secretary has been submitted to Stock Exchanges within stipulated time.

OUTSTANDING GLOBAL DEPOSITORY RECEIPTS OR AMERICAN DEPOSITORY RECEIPTS OR WARRANTS OR ANY CONVERTIBLE INSTRUMENTS, CONVERSION DATE AND LIKELY IMPACT ON EQUITY

There are no Outstanding Global Depository Receipts or American Depository Receipts Or Warrants Or any Convertible Instruments during the financial year.

COMMODITY PRICE RISK OR FOREIGN EXCHANGE RISK AND HEDGING ACTIVITIES

Please refer to Management Discussion and Analysis Report for the same.

SHAREHOLDERS GRIEVANCES

The Company has designated an e-mail id viz. secretary@sdalloys.com to enable shareholders to contact in case of any queries/ complaints. The Company strives to resolve any complaint within 7 working days.

Disclosures:

A. During the year, there were no transactions of material nature with the Directors or the Management or relatives or the subsidiaries or related parties that had potential conflict with the interests of the Company.

B. Details of all related party transactions form a part of the accounts as required and the same are given in financial part.

C. The Company has followed all relevant Accounting Standards while preparing the Financial Statements.

D. The Company has complied with the requirements of the Stock Exchanges, SEBI and other statutory authorities on all matters relating to capital markets during the last three years. No penalties or strictures have been imposed on the Company by the Stock Exchanges, SEBI or any other statutory authorities relating to the above.

E. The Company has obtained Certificate from Mr. Devesh Khandelwal, Practicing Company Secretary confirming that Directors have not been debarred or not been disqualified from being appointed or continuing as Directors by SEBI/ MCA or any other authority.

F. The policy for determining material subsidiaries and related party transactions is available on our website www.sdalloys.com.

VIGIL MECHANISM /WHISTLE BLOWER POLICY

Please refer point 27 of the Board Report.

STATUTORY AUDITORS

In the case of appointment of new auditors, the Audit Committee evaluates various audit firms based on approved criteria as given herein below. The Audit firms are required to make a presentation to this Committee. The Committee considers factors such as compliance with the legal provisions, number / nature / size and variation in client base, skill sets available in the firm both at partner level and staff level, international experience, systems and processes followed by the firm, training and development by the firm to its partners and staff, etc. during the process of evaluation. Based on merit and the factors mentioned above, the Committee finalizes the firm to be appointed and recommends the appointment of Auditors to the Board and shareholders for approval.

The above process was followed by the Company while appointing M/s Piyush J Shah & Co. as the Statutory Auditors of the Company.

M/s Piyush J Shah & Co., Chartered Accountants have been appointed as the Statutory Auditors of the Company. The particulars of payment of Statutory Auditors' fees, on consolidated basis is given below:

Particulars	Amount
Audit fees	1,50,000
Tax Audit	40,000

Also refer to Point 19 of the Board Report.

CODE OF CONDUCT

The Company has laid down a Code of Conduct for all Board members and senior management personnel. The Code of Conduct is available on the website of the Company, www.sdalloys.com. The declaration of Managing Director is given below:

**To the Shareholders of
Sagardeep Alloys Limited**

Sub: Compliance with Code of Conduct

In terms of requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, I hereby declare and certify that all the Board members and senior management personnel of Sagardeep Alloys Limited have affirmed compliance with the code of conduct adopted by the Company for the year 2019-20.

**Satish Mehta
Managing Director**

Date: 27th June, 2020

Place: Santej

SECURITIES DEALING CODE

Pursuant to Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 (SEBI Insider Trading Regulations) the Company has adopted its Securities Dealing Code ('Code') for prevention of insider trading. The objective of the Code is to prevent dealing in the shares of the Company by an Insider while in possession of information known only to them, and not yet made publicly available by the Company, which, when made publicly available, can materially impact the price of the Company's securities. The code lays down guidelines to the identified employees and create the necessary framework for transacting in the Company's securities, seeking prior clearance for transactions wherever necessary, and a mechanism for periodical reporting of transactions. The objective of the Code is to prevent purchase and/or sale of shares of the Company by an Insider on the basis of unpublished price sensitive information. Under this Code, Designated Persons (Directors, Advisors, Officers and other concerned employees/ persons) are prevented from dealing in the Company's shares during the closure of Trading Window. To deal in securities beyond specified limit, permission of Compliance Officer is also required. All the Designated Employees are also required to disclose related information periodically as defined in the Code. Directors and designated employees who buy and sell shares of the Company are prohibited from entering into an opposite transaction i.e. sell or buy any shares the Company during the next six months following the prior transactions.

Pursuant to the enactment of the SEBI (Prohibition of Insider Trading) (Amendment) Regulations, 2018, the Company has suitably modified the provisions of the Code which are effective from 1st April 2019. Mr. Nayan P. Pitroda, Company Secretary has been designated as the Compliance Officer. Mr. K.K. Sommani is the Chief Investor Relations Officer of the Company.

The Company also formulated Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information which is available on Company's Website www.sdalloys.com

Awareness sessions/workshops on Governance practices:

Employees across the Company are being sensitized about the various policies and governance practices of the Company. The Company has in-house training workshops on Corporate Governance with the help of an external faculty covering basics of Corporate Governance as well as internal policies and

compliances under Code of Conduct, Whistle Blower Policy, Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013, SEBI Insider Trading Regulations, etc.

SECRETARIAL AUDIT AS PER SEBI REQUIREMENTS:

As stipulated by SEBI, a Qualified Practicing Company Secretary carries out Reconciliation of Share Capital Audit to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and the total issued and listed capital. This audit is carried out every quarter and the report thereon is submitted to the Stock Exchanges. The Audit confirms that the total Listed and Paid-up capital is in agreement with the aggregate of the total number of shares in dematerialized form and in physical form. Appropriate actions are taken to continuously improve the quality of compliance. The Company also has adequate software and systems to monitor compliance.

SECRETARIAL AUDIT AS PER COMPANIES ACT, 2013:

Pursuant to the provisions of section 204(1) of the Act. M/s Khandelwal Devesh & Associates, Company Secretaries, conducts the secretarial audit of the compliance of applicable statutory provisions and the adherence of good corporate practices by the Company.

Pursuant to the SEBI circular dated 8th February 2019, the Company has obtained an annual secretarial compliance report from M/s Khandelwal Devesh & Associates, Company Secretaries, and has submitted the same to the Stock Exchanges within the prescribed timelines.

GROUP GOVERNANCE:

Since, currently company is having only one subsidiary companies, subsidiaries are following strong governance practices as prescribed by Parent company. The Company also periodically monitors transactions in subsidiary by way of receiving checklists from these companies.

CFO & Managing Director Certificate

To the Board of Directors of
SAGARDEEP ALLOYS LIMITED

Dear Sir/Mam,

Sub: CFO & MD Certificate

Issued in accordance with provisions of Regulation 17(8) of SEBI (Listing Obligations & Disclosure Requirements), Regulations, 2015

We have reviewed the standalone & consolidated financial statements, read with the standalone & consolidated cash flow statement of Sagardeep Alloys Limited for the year ended March 31, 2020 and that to the best of our knowledge and belief, we state that:

- (a) (i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that may be misleading;
(ii) these statements present a true and fair view of the Company's affairs and are in compliance with current accounting standards, applicable laws and regulations.
- (b) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or in violation of the Company's code of conduct.
- (c) We accept responsibility for establishing and maintaining internal controls for financial reporting. We have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and have disclosed to the Auditors and the Audit Committee, deficiencies, if any, in the design or operation of such internal controls of which we are aware and steps taken or proposed to be taken for rectifying these deficiencies.
- (d) We have indicated to the Auditors and the Audit Committee:
 - (i) that there were no significant changes in internal controls over financial reporting during the year; and
 - (ii) that there were no significant changes in accounting policies made during the year; and (ii) that there were no instances of significant fraud of which we have become aware.

Yours Sincerely,

Krishnakant Somani
CFO

Satish Asmal Mehata
Managing Director

Date: 27th June, 2020

Place: Satej (Kalol)

CERTIFICATE ON CORPORATE GOVERNANCE TO THE MEMBERS OF SAGARDEEP ALLOYS LIMITED

To
The Members,
SAGARDEEP ALLOYS LIMITED,
Ahmedabad

I have examined the compliance of conditions of Corporate Governance by SAGARDEEP ALLOYS LIMITED for the Year Ended on March 31, 2020 as stipulated in Regulation 27 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time.

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

In our opinion and to the best of our information and according to the explanations given to us, I certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above-mentioned Listing Regulations. We state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

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

**Devesh Khandelwal
Proprietor
FCS: 6897
COP No.:4202
UDIN: F006897B000391701**

**Place: Ahmedabad
Date: 27/06/2020**

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,
The Members,
SAGARDEEP ALLOYS LIMITED,
SantejKalol,
Gandhinagar 382721

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Sagardeep Alloys Limited (CIN: L29253GJ2007PLC050007) and having registered office Plot No. 2070 , Rajnagar Patiya , Santej Khatraj Road ,Santej Kalol Gandhinagar 382721 (hereinafter referred to as “the Company”), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para C Sub Clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to me by the Company and its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial year ending on 31st March, 2020 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

Sr. No.	Name of Director	DIN	Date of Appointment in Company
1.	Satishkumar Asamal Mehta	01958984	13/02/2007
2.	Mehta JayeshkumarAshmal	02156140	05/05/2008
3.	Patel Hemendrabhai Bhailal	01827562	28/08/2015
4.	Vinita Pankaj Maheshwari	07187365	28/08/2015
5.	Jitendrakumar Dhanjibhai Patel	07369309	23/02/2017

Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. My responsibility is to express an opinion on these based on my verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the company.

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

Devesh Khandelwal
Proprietor
FCS: 6897,
COP No.:4202
UDIN: F006897B000252087

Place: Ahmedabad
Date: 27/06/2020

Annexure – ‘VII’

Installation Of New Plant And Machinery Into Existing Line Of Business

Capacity Addition: -

a)	Existing capacity	200 MT per Month (Once production commences on new plant and machinery, this capacity will be used for production of copper tubes)
b)	Existing capacity utilization	Approx. 50% of Existing Capacity
c)	Proposed capacity addition	250MT Per Month
d)	Period within which the proposed capacity is to be added	By end of this month (i.e. June, 2020)
e)	Investment required	We have completed the CAPEX on this new facility which is detailed hereunder; 1. Plant & Machinery: Rs. 5.15 Cr (Including electric installation) 2. Civil Works : Rs. 1.51 Crores
f)	Mode of financing	CAPEX on installation of new plant and machinery already completed.
g)	Rationale	The existing plant and machinery of the Company is of old technology and this new addition of plant and machinery will increase the quality of the product and will also reduce production cost. These will help the Company to compete much better and will also help to improve it's margin. Further, this new plant and machinery will also enable the Company to produce copper wire to be used by the producers of electric cable. The Company is also working on to add further machinery to enable itself to produce such electric cable at its own factory premises. Further, updation relating to that new installation will be given on appropriate time.

We have considered Capital Expenditure incurred in above assets during the F.Y. 2016-17 to 2018-19 (Audited) & F.Y. 2019-20 (Audited).

Looking to the present situation of pandemic, the Company plans to commence the production with low capacity utilization and hope that with the coming month's business will improve and so would be the utilization of production capacity at new facility.

Standalone Independent Auditors' Report

To,
The Members of
Sagardeep Alloys Limited
Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of Sagardeep Alloys Limited (“the Company”), which comprise the Standalone Balance Sheet as at 31st March, 2020, the Standalone Statement of Profit and Loss (including other comprehensive income), Standalone Statement of Changes in Equity and the Standalone Cash Flows for the year then ended and notes to the standalone financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as “the standalone financial statements”).

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 (“the Act”) in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2020, and profit and other comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis of Our Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those SAs are further described in the Auditor’s Responsibilities for the Audit of the Standalone 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 together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

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

We have determined that there are no key audit matters to be communicated in our report.

Other Information

The Company’s management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company’s annual report, but does not include the standalone financial statements and our auditors’ report thereon.

Our opinion on the standalone 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 standalone financial statements, our responsibility is to read the

other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for The Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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 standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone 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 is also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone 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 standalone financial statements.

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

- a. Identify and assess the risks of material misstatement of the standalone 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.
- b. Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company and its subsidiary companies which are companies incorporated in India, has adequate internal financial controls system in place and the operating effectiveness of such controls.
- c. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- d. 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 ability of the Company 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 standalone 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.

e. Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone 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

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

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

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
- b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- c) the standalone balance sheet, the standalone statement of profit and loss dealt with by this Report are in agreement with the books of account;
- d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
- e) On the basis of the written representations received from the directors as on 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 over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

B. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

1. The company has disclosed the impact of pending litigation on its standalone financial position

in its financial statement.

2. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
3. There was no amount which are required to be transferred, to the investor's education and protection fund by the company.
4. The disclosures in the standalone financial statements regarding holdings as well as dealings in specified bank notes during the period from 8 November 2016 to 30 December 2016 have not been made in these standalone financial statements since they do not pertain to the financial year ended 31 March 2020.

C. With respect to the matter to be included in the Auditors' Report under Section 197(16) of the Act:

In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) which are required to be commented upon by us.

For Piyush J. Shah & Co.
Chartered Accountants
FRN: 121172W

Piyush J. Shah
Partner
M. No: 108670
UDIN: 20108670AAAABX1829
Place: Ahmedabad
Date: 27th June, 2020

Annexure - A to the Auditors' Report

The Annexure referred to in our Independent Auditors' Report to the members of the Company on the standalone financial statements for the Period 01-04-2019 to 31-03-2020, we report that:

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

(b) The company has a regular programme of physical verification of its fixed assets by which fixed assets are verified in a phased manner over a period of three years. In accordance with this programme, certain fixed assets were verified during the year and no material discrepancies were noticed on such verification. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets.

(c) 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 and according to the information and explanations given to us, the company has maintained proper records of inventory. As explained to us, there were no material discrepancies noticed on physical verification of inventory as compared to book records and the same has been properly dealt with in books of accounts.

iii) The Company had granted loans to parties covered in the register maintained under section 189 of the Companies Act, 2013 ('the Act').

(a) In our opinion and according to the information and explanations given to us the terms and conditions of the grant of such loans are not prejudicial to the company's interest.

(b) There is no repayment schedule relating to the loans granted by the company, It is repayable on demand. Moreover, the company is not charging any kind of interest on the loans granted.

(c) In respect of the said loans, there are no overdue accounts.

iv) In our opinion and according to the information and explanations given to us in respect of loans, investments, guarantees, and security provisions of section 185 and 186 of the Companies Act, 2013 had been complied with.

v) The company had not accepted any deposits from public, therefore the directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules framed there under, is not applicable.

vi) The Central Government has not prescribed the maintenance of cost records under section 148(1) of the Act, for the goods supplied by the Company.

vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted / accrued in the books of account in respect of undisputed statutory dues including provident fund, income tax, sales tax, wealth tax, service tax, duty of customs, value added tax, cess and other material statutory dues have been regularly deposited during the year by the Company with the appropriate authorities. As explained to us, the

Company did not have any dues on account of employees' state insurance and duty of excise.

According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, income tax, sales tax, wealth tax, service tax, duty of customs, value added tax, cess and other material statutory dues were in arrears as at 31st March, 2020 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 material dues of wealth tax, duty of customs and cess which have not been deposited with the appropriate authorities on account of any dispute.

viii) The company had not defaulted in repayment of loans or borrowing to a financial institution, bank, Government or dues to debenture holders.

ix) According to the information and explanations given to us the company had not raised any money by way of Initial Public Offer or Further Public Offer and term loans.

x) According to the information and explanations given to us, no material fraud on or by the Company has been noticed or reported during the course of our audit.

xi) According to the information and explanations given to us, managerial remuneration had 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) In our opinion the company is not Nidhi company. Therefore, the provisions as mentioned in the Nidhi Rules, 2014 are not applicable to the company.

xiii) In our opinion and according to the information and explanations given to us all transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the Financial Statements etc., as required by the applicable accounting standards.

xiv) According to the information and explanations given to us, the company had not made preferential allotment of shares during the year/period under review and the requirement of Section 42 of the Companies Act, 2013 and other applicable provisions are therefore not applicable.

xv) According to the information and explanations given to us the company had not entered into any non-cash transactions with directors or persons connected with him.

xvi) In our opinion, the company is not a Non-Banking Finance Company, therefore the requirement to register under section 45-IA of the Reserve Bank of India Act, 1934 is not applicable.

For Piyush J. Shah & Co.
Chartered Accountants
FRN: 121172W

Piyush J. Shah
Partner
M. No: 108670
UDIN: 20108670AAAABX1829
Place: Ahmedabad
Date: 27th June, 2020

Annexure - B to the Independent Auditors' Report

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act") on the Standalone Financial Statements of Sagardeep Alloys Limited Opinion

We have audited the internal financial controls with reference to standalone financial statements of **Sagardeep Alloys Limited** ("the Company") as of 31 March 2020 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to standalone financial statements and such internal financial controls were operating effectively as at 31st March 2020, based on the internal financial controls with reference to standalone financial statements 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 (the "Guidance Note").

Management's Responsibility for Internal Financial Controls

The Company's management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to standalone financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note. 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 the 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 (hereinafter referred to as "the Act").

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to standalone financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to standalone financial statements. 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 with reference to standalone financial statements were established and maintained and whether 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 with reference to standalone financial statements and their operating effectiveness. Our audit of internal financial controls with reference to standalone financial statements included obtaining an understanding of internal financial controls with reference to standalone financial statements, assessing the risk that a material weakness exists and testing and evaluating the design and operating effectiveness of the internal control based on the assessed risk. The procedure selected depend on the auditor's judgement, including the assessment of risks of material misstatement of the standalone 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 internal financial controls with reference to standalone financial statements.

Meaning of Internal Financial Controls with reference to Standalone Financial Statements

A company's internal financial controls with reference to standalone financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of standalone financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to standalone financial statements include 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 standalone financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the standalone financial statements.

Inherent Limitations of Internal Financial Controls with reference to Standalone Financial Statements

Because of the inherent limitations of internal financial controls with reference to standalone financial statements, 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 with reference to standalone financial statements to future periods are subject to the risk that the internal financial controls with reference to standalone financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

**For Piyush J. Shah & Co.
Chartered Accountants
FRN: 121172W**

**Piyush J. Shah
Partner
M. No: 108670
UDIN: 20108670AAAABX1829
Place: Ahmedabad
Date: 27th June, 2020**

Sagardeep Alloys Limited

Standalone Balance Sheet as at 31st March, 2020

Particulars	Note	AMOUNT IN 31-Mar-2020	AMOUNT IN 31-Mar-2019
I. ASSETS			
1 Non-current assets			
(a) Property, plant & Equipment	2	4,68,70,474	5,08,69,614
(b) Capital work in progress	3	7,23,95,631	6,23,16,416
(c) Investment properties		-	-
(d) Goodwill		-	-
(e) Other intangible assets		-	-
(f) Intangible assets under development		-	-
(g) Biological assets other than bearer plants		-	-
(h) Financial assets			
(i) Investments in Subsidiaries	4	5,16,20,000	5,16,20,000
(ii) Trade receivables		-	-
(iii) Loans		-	-
(iv) Others	5	18,73,128	15,98,680
(i) Deferred tax assets (net)		-	-
(j) Other Non-current assets		-	-
		17,27,59,233	16,64,04,710
2 Current assets			
(a) Inventories	6	8,59,85,492	6,19,70,321
(b) Financial assets			
(i) Investments		-	-
(ii) Trade receivables	7	6,15,52,932	9,33,89,823
(iii) Cash and cash equivalents	8	3,11,710	2,58,441

(iv) Bank balance other than (iii) above	9	15,33,342	14,50,824
(v) Loans	10	4,82,95,302	5,23,04,722
(vi) Others		-	-
(c) Current tax assets (net)	11	10,99,787	1,30,876
(d) Other current assets	12	3,71,53,940	4,15,13,590
		23,59,32,505	25,10,18,597
Total assets		40,86,91,738	41,74,23,307
II. EQUITY AND LIABILITIES			
1 Equity			
(a) Equity share capital	13	11,37,16,000	11,37,16,000
(b) Other equity	14	15,01,84,648	14,75,77,605
		26,39,00,648	26,12,93,605
2 Liabilities			
Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	15	-	52,408
(ii) Trade payables		-	-
(iii) Other financial liabilities (other than those specified in (b))		-	-
(b) Provisions		-	-
(c) Deferred tax liabilities (net)	16	46,20,342	50,92,048
(d) Other non-current liabilities		-	-
		46,20,342	51,44,456
3 Current liabilities			
(a) Financial liabilities			
(i) Borrowings	17	9,94,39,294	9,59,59,042
(ii) Trade payables	18	1,72,26,619	1,68,33,353
(iii) Other financial liabilities (other than those specified in (c))	19	2,22,01,262	3,52,35,389
(b) Other current liabilities		-	-
(c) Provisions	20	13,03,573	29,57,462
(d) Current tax liabilities (net)		-	-
		14,01,70,748	15,09,85,246
		40,86,91,738	41,74,23,307

Summary of significant accounting policies	01 to 39		
The accompanying notes are an integral part of the financial statements.			
As per our report of even date			

For Piyush J. Shah & Co.
Chartered Accountants
FRN : 121172W

For Sagardeep Alloys Limited

Satish Ashmal
Mehta
Managing Director
DIN - 01958984

Krishnakant Somani
CFO

Piyush J. Shah
Partner
M. No. 108670

Jayesh Ashmal
Mehta
Director
DIN - 02156140

Nayan Pitroda
Company Secretary

Place :
Ahmedabad
Date :
27/06/2020

Place : Santej
Date : 27/06/2020

Sagardeep Alloys Limited

Standalone Profit and loss statement for the year ended 31st March , 2020

Particulars	Note	AMOUNT IN 31-Mar-2020	AMOUNT IN 31-Mar-2019
I. Revenue from operations	21	33,80,26,399	51,08,87,012
II. Other Income	22	64,34,407	58,38,403
III. Total Revenue (I + II)		34,44,60,806	51,67,25,415
IV. Expenses:			
Cost of materials consumed	23	29,95,57,276	41,44,81,514
Purchase of stock in trade	24	27,90,946	3,46,62,337
Changes in Inventories of finished goods, stock in trade & WIP,	25	(76,90,787)	19,88,178
Employee benefits expenses	26	1,12,40,876	78,30,948
Finance costs	27	94,35,267	92,28,654
Depreciation and amortization expense		42,37,409	40,61,253
Other expenses	28	2,17,25,396	2,10,80,560
Total expenses (IV)		34,12,96,383	49,33,33,444
V. Profit/(Loss) before exceptional items and tax (III-IV)		31,64,423	2,33,91,971
VI. Exceptional items		19,496	
VII. Profit/(Loss) before tax (V - VI)		31,44,927	2,33,91,971
VIII. Tax expenses			
(1) Current tax		10,09,590	65,91,075

(2) Deferred tax		(4,71,706)	(5,06,276)
(3) Short / (Excess) Provision		-	17,188
IX. Profit/(Loss) for the period from continuing operations (VII- VIII)		26,07,043	1,72,89,984
X. Profit/(Loss) for the period from discontinued operations			
XI. Tax expenses of discontinued operations			
XII. Profit/(Loss) after tax for the period from discontinued operations (X-XI)		-	
XIII. Profit/(Loss) for the period		26,07,043	1,72,89,984
XIV. Other comprehensive income			
A) (i) Items that will not be reclassified to profit or loss		-	-
(ii) Income tax relating to items that will not be reclassified to profit or loss		-	-
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			
XV. Total Comprehensive income for the period (XIII+XIV) (Comprising Profit/(Loss) and Other comprehensive income for the period)		26,07,043	1,72,89,984
XII Earnings per equity share (for continuing operations):			
(1) Basic	29	0.23	1.52
(2) Diluted		0.23	1.52
XII Earnings per equity share (for discontinued operations):			
(1) Basic		-	
(2) Diluted		-	
XII Earnings per equity share (for discontinued & continuing operations):			
(1) Basic		0.23	1.52
(2) Diluted		0.23	1.52
Summary of significant accounting policies	01 to 39		

The accompanying notes are an integral part of the financial statements.
As per our report of even date

For Piyush J. Shah & Co.
Chartered Accountants
FRN : 121172W

Piyush J. Shah
Partner
M. No. 108670

Place : Ahmedabad
Date : 27/06/2020

For Sagardeep Alloys Limited

Satish Ashmal Mehta
Managing Director
DIN - 01958984

Jayesh Ashmal Mehta
Director
DIN - 02156140

Place : Santej
Date : 27/06/2020

Krishnakant Somani
CFO

Nayan Pitroda
Company Secretary

Sagardeep Alloys Limited

Standalone Cash Flow Statement for the Period ended 31st March, 2020

PARTICULARS	AMOUNT IN Rs. 31-Mar-2020	AMOUNT IN Rs. 31-Mar-2019
Cash flow from operating activities:	-	-
Net profit before tax as per statement of profit and loss	31,44,927	2,33,91,971
Adjusted for:		
Depreciation & amortization	42,37,409	40,61,253
Interest income on loans & advances given	(61,34,407)	(54,61,149)
Net Gain and Loss on Foreign Exchange	-	-
Interest & finance costs	94,35,267	92,28,654
Operating cash flow before working capital changes	1,06,83,196	3,12,20,729
Adjusted for:		
(Increase)/ decrease in Inventories	(2,40,15,171)	(60,63,773)
(Increase)/ decrease in trade receivables	3,18,36,891	5,70,29,278
Increase/ (decrease) in trade payables	3,93,266	(3,19,68,480)
Increase/ (decrease) in other current assets	33,90,739	14,64,039
Increase/ (decrease) in other current liabilities	(1,30,34,127)	3,20,87,967
Increase/ (decrease) in long term provisions	-	-
Increase/ (decrease) in short term provisions	(16,53,889)	22,59,258
Cash generated from / (used in) operations	76,00,905	8,60,29,018
Income taxes paid	(10,09,590)	(63,59,953)
Net cash generated from/ (used in) operating activities [A]	65,91,315	7,96,69,065
Cash flow from investing activities:	-	-
Purchase of property plant & equipment	(1,03,17,484)	(5,38,87,610)
Interest income on loans & advances given	61,34,407	54,61,149
(Increase)/ decrease in long term loans and advances	(2,74,448)	2,35,890
(Increase)/ decrease in short term loans and advances	40,09,420	(2,10,96,509)
Net cash flow from/(used) in investing activities [B]	(4,48,105)	(6,92,87,080)
Cash flow from financing activities:	-	-
Increase in / Repayment of Long-Term Borrowings	(52,408)	(2,04,463)
Increase in / Repayment of Short-Term Borrowings	34,80,252	(9,77,885)
Interest & finance costs	(94,35,267)	(92,28,654)
Net Gain and Loss on Foreign Exchange	-	-
Proceeds from the Issue of Shares	-	-
Net cash flow from/(used in) financing activities [C]	(60,07,423)	(1,04,11,002)
Net increase/(decrease) in cash & cash equivalents [A+B+C]	1,35,787	(29,017)
Cash & cash equivalents as at beginning of the period	17,09,265	17,38,282
Cash & cash equivalents as at end of the period	18,45,052	17,09,265

Cash & Cash equivalents consist of		
Cash & Cash equivalent	17,62,611	15,69,533
Bank Balance other than mentioned above	82,441	1,39,732
	18,45,052	17,09,265
Summary of significant accounting policies		
The accompanying notes are an integral part of the financial statements.		
As per our report of even date		

For Piyush J. Shah & Co.
Chartered Accountants
FRN : 121172W

Piyush J. Shah
Partner
M.No. : 108670

Place : Ahmedabad
Date : 14th September , 2019

For SagarDeep Alloys Limited

Satish Ashmal Mehta
Director
DIN - 01958984

Jayesh Ashmal Mehta
Director
DIN - 02156140

Place : Santej
Date : 27/06/2020

Krishnakant Somani
CFO

Nayan Pitroda
Company Secretary

Equity Share
02 Capital:

Balances at the beginning of the reporting period	Changes in equity capital during the year	Balances at the end of the reporting period
11,37,16,000	-	11,37,16,000

03 Other Equity:

Particulars	Reserves & Surplus		Other Comprehensive Income	Total
	Securities premium reserves	Retained earnings		
Balance as at April 01, 2018	7,85,92,560	5,16,95,061	-	13,02,87,621
Profit/(Loss) for the period	-	1,72,89,984	-	1,72,89,984
Other comprehensive income for the year	-	-	-	-
Total comprehensive income for the year	-	1,72,89,984	-	1,72,89,984
Balance as at March 31, 2019	7,85,92,560	6,89,85,045	-	14,75,77,605
Balance as at April 01, 2019	7,85,92,560	6,89,85,045	-	14,75,77,605
Profit/(Loss) for the period	-	26,07,043	-	26,07,043
Other comprehensive income for the year	-	-	-	-
Total comprehensive income for the year	-	26,07,043	-	26,07,043
Balance as at March 31, 2020	7,85,92,560	7,15,92,088	-	15,01,84,648

Note: 1

Note: A**General Information:**

Sagardeep Alloys Limited (CIN L29253GJ2007PLC050007) is incorporated under the Companies Act, 1956 with its registered office at Plot No. 2070, Rajnagar Patiya, Santej Khatraj Road, Santej, Kalol, Gandhinagar, Gujarat -382721.

The Company is engaged in the business of of Copper Items & Chemicals and Trading in Ferrous and Non Ferrous Metals

The financial statements for the year ended on 31st March, 2020 are approved by the Board of Directors and authorised for issue on 26th June, 2020.

Significant Accounting Policies**1. Statement of Compliance**

The company has adopted all the Ind AS and the adoption was carried out in accordance with Ind AS 101, First Time Adoption of Indian Accounting Standard. The transition was carried out from Indian Accounting Principles generally accepted in India as prescribed under section 133 of the Act read with Rule 7 of the Companies (Accounts) Rules, 2014. Reconciliations and descriptions of the effect of the transitions have been summarised in the annexers attached.

2. Basis of Preparation and Presentation

i) The financial statements are prepared on historical cost basis in accordance with applicable Indian Accounting Standards (Ind AS) and on accounting principles of going concern except current investments which are measured at fair values. These financial statements have been prepared to comply with all material aspects with the Indian accounting standards notified under section 133 of the Act, (the "Act") read with Rule 7 of the Companies (Accounts) Rules, 2014, and the other relevant provisions of the Act.

ii) Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policies hitherto in use.

iii) As the quarter and year figures are taken from the source and rounded to the nearest digits, the figures already reported for all the quarters during the year might not always add up to the year figures reported in this statement.

iv) All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Act. Based on the nature of products and the time between the acquisition of assets for processing and their realization in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current classification of assets and liabilities.

3. Property, Plant and Equipments

Property, Plant and Equipment are stated at original cost (net of tax/duty credit availed) less accumulated depreciation and impairment loss-es. Cost includes cost of acquisition, construction and installation, taxes, duties, freight, other incidental expenses related to the acquisition, and pre-operative expenses including attributable borrowing costs incurred during pre-operational period.

i) Land and buildings held for use in the production or supply of goods or services, or for administrative purposes, are stated in the balance sheet at deemed cost less and accumulated depreciation. Freehold land is not depreciated.

ii) Properties in the course of construction for production, supply or administrative purposes are carried at cost, less any recognised impairment loss. Cost includes professional fees and, for qualifying assets, borrowing costs capitalised in accordance with the Company's accounting policy. Such properties are classified to the appropriate categories of property, plant and equipment when completed and ready for intended use. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

iii) Fixtures and equipment are stated at cost less accumulated depreciation and accumulated impairment losses.

iv) 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 the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

v) Subsequent expenditures related to an item of Tangible Asset are added to its book value only if they increase the future benefits from the existing asset beyond its previously assessed standard of performance.

vi) Assets which are not ready for their intended use on reporting date are carried as capital work-in-progress at cost, comprising direct cost and related incidental expenses

Useful lives of the Property, Plant and Equipment as notified in Schedule II to the Companies Act, 2013 are as follows:

Buildings - 3 to 60 years

Plant and Equipment's - 15 to 25 years

Furniture and Fixtures - 10 years

Vehicles - 8 to 10 years

Office Equipment's - 5 to 10 years

4. Depreciation

i) Depreciation on tangible Fixed Assets is provided for on basis of useful life specified in Schedule II to the Act.

ii) Intangible assets such as Software are amortized in ten equals yearly instalments commencing from the year in which the tangible benefits start accruing to the Company from such assets.

iii) Depreciation is charged as per the provisions of Schedule II to the Act based upon useful life of assets. The useful life is adopted for the purpose of depreciation is as under.

5. Employee Benefits

Short-term employee benefits are recognized as an expense at the undis-counted amount in the Statement of Profit and Loss of the year in which the related service is rendered

of

Employee benefits in the form of Provident Fund is considered as defined contribution plan and the contributions to Employees' Provident Fund Organization established under The Employees' Provident Fund and Miscellaneous Provisions Act 1952 is charged to the Statement of Profit and Loss of the year when the contributions to the respective funds are due. The Company pays provident fund contributions to publicly administered provident funds as per local regulations. The Company has no further payment obligations once the contributions have been paid.

6. Inventories

The cost of inventories has been computed to include all cost of purchases, cost of conversion and other related costs incurred in bringing the inventories to their present location and condition. The costs of Raw Materials, Stores and spare parts etc., consumed consist of purchase price including duties and taxes (other than those subsequently recoverable by the enterprise from the taxing authorities), freight inwards and other expenditure directly attributable to the procurement.

7. Revenue Recognition

The Company derives revenues primarily from sale of manufactured goods. Effective 01 April 2018, the Company has adopted Indian Accounting Standard 115 (Ind AS 115) -'Revenue from contracts with customers' using the cumulative catch-up transition method, applied to contracts that were not completed as on the transition date i.e. 01 April 2018. Accordingly, the comparative amounts of revenue and the corresponding contract assets /liabilities have not been retrospectively adjusted. The effect on adoption of Ind-AS 115 was insignificant.

Sale of Goods: Revenue from sales of goods is recognized on transfer of significant risks and rewards of ownership to the customers. Revenue shown in the Statement of Profit and Loss excludes, returns, trade discounts, cash discounts, Goods & Service Tax.

Interest income is recognized on a time proportion basis taking into account the amount outstanding and the interest rate applicable.

8. Cash Flow Statement

Cash flows are reported using indirect method, whereby profit before tax is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flow from regular revenue generating, financing and investing activities of the Company is segregated.

Cash and cash equivalents in the balance sheet comprise cash at bank, cash/cheques in hand and short term investments with an original maturity of three months or less.

9. Financial Assets

The Company classifies its financial assets as those to be measured sub-sequently at fair value (either through other comprehensive income, or through profit or loss), and those to be measured at amortized cost.

Trade receivables represent receivables for goods sold by the Company upto to the end of the financial year. The amounts are generally unsecured and are usually received as per the terms of payment agreed with the customers. The amounts are presented as current assets where receivable is due within 12 months from the reporting date.

A financial asset is derecognized only when the Company has transferred the rights to receive cashflows from the financial asset, or when it has transferred substantially all the risks and rewards of the asset, or when it has transferred the control of the asset.

10. Financial Liabilities

Borrowings are removed from balance sheet when the obligation specified in the contract is discharged, cancelled or expired.

Trade Payables represent liabilities for goods and services provided to the Company upto to the end of the financial year. The amounts are unsecured and are usually paid as per the terms of payment agreed with the vendors. The amounts are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially and subsequently measured at amortised cost.

Financial assets and Financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

11. Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use. All other borrowing costs are recognised in the Statement of Profit and Loss in the period in which they are incurred. The Company determines the amount of borrowing costs eligible for capitalisation as the actual borrowing costs incurred on that borrowing during the period less any interest income earned on temporary investment of specific borrowings pending their expenditure on qualifying assets, to the extent that an entity borrows funds specifically for the purpose of obtaining a qualifying asset. In case if the Company borrows generally and uses the funds for obtaining a qualifying asset, borrowing costs eligible for capitalisation are determined by applying a capitalisation rate to the expenditures on that asset. The Company suspends capitalisation of borrowing costs during extended periods in which it suspends active development of a qualifying asset.

12. Accounting for Taxes on Income

Tax expenses comprise of current tax and deferred tax including applicable surcharge and cess.

Current Income tax is computed using the tax effect accounting method, where taxes are accrued in the same period in which the related revenue and expenses arise. A provision is made for income tax annually, based on the tax liability computed, after considering tax allowances and exemptions. Provisions are recorded when it is estimated that a liability due to disallowances or other matters is probable.

Deferred tax is provided using the balance sheet approach on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date. Deferred tax liabilities are recognized for all taxable temporary differences. Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any un used tax losses. Deferred tax assets are recognized to the extent that it is probable that taxable profits against which the deductible temporary differences, and the carry forward un used tax credits and un used tax losses can be utilized.

Deferred Tax Assets and Deferred Tax Liabilities are offset, if a legally enforceable right exists to set off current tax assets against current tax liabilities and the Deferred Tax Assets and Deferred Tax Liabilities relate to taxes on income levied by same governing taxation laws.

Deferred tax is recognised in the statement of profit and loss, except to the extent that it relates to items recognised in other comprehensive income. As such, deferred tax is also recognised in other comprehensive income.

13. Investments

Non-Current investments are stated at cost. Provision for diminution in the value of Non-Current investments is made only if such a decline is other than temporary.

14. Research & Development Expense

Revenue expenditure pertaining to research is charged to the Profit and Loss Statement. Development costs of products are charged to the Profit and Loss Statement.

15. Impairment

Assessment is done at each Balance Sheet date as to whether there is any indication that an asset may be impaired. For the purpose of assessing impairment, the smallest identifiable group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows from other assets or groups of assets, is considered as a cash generating unit. If any such indication exists, an estimate of the recoverable amount of the asset/cash generating unit is made. Assets whose carrying value exceeds their recoverable amount are written down to the recoverable amount. Recoverable amount is higher of an asset's or cash generating unit's net selling price and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life. Assessment is also done at each Balance Sheet date as to whether there is any indication that an impairment loss recognised for an asset in prior accounting periods may no longer exist or may have decreased.

16. Government Grants

- i) Grants are accounted for where it is reasonably certain that the ultimate collection will be made.
- ii) Grants relating to Fixed Assets in the nature of Project Capital Subsidy are credited to that particular project.
- iii) Others are credited to Statement of Profit and Loss.

17. Use of Estimates

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

18. Provisions, Contingent Liabilities and Contingent Assets

Provision is recognized in the accounts when there is a present obligation as a result of past event(s) and it is probable that an outflow of resources will be required to settle the obligation and a reliable estimate can be made. Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

Contingent liabilities are disclosed unless the possibility of outflow of resources is remote, if any. Contingent assets are neither recognized nor disclosed in the financial statements.

**11 Fixed Assets as at
31st March, 2020**

				Gross Block				Accumulated Depreciation / Amortization				Net Block	Net Block
	Description of Assets	Useful life (In Years)	Shift Operated	Balance as at 01-Apr-19	Additions during the period	Deletions during the period	Balance as at 31-Mar-20	Balance as at 01-Apr-19	Provided during the period	Deletions during the period	Balance as at 31-Mar-20	Balance as at 31-Mar-20	Balance as at 31-Mar-19
A	Tangible Assets												
(a)	Own Assets												
	Buildings												
	Factor y at Santej	30.00	Single	68,91,969	-	-	68,91,969	18,40,492	2,19,157	-	20,59,649	48,32,320	50,51,477
	Bandh u Samaj	30.00	Single	78,34,284	-	-	78,34,284	17,56,041	2,64,268	-	20,20,309	58,13,975	60,78,243
	Supat h 2 - Compl ex Shed at	30.00	Single	5,05,350	-	-	5,05,350	10,610	16,003	-	26,613	4,78,737	4,94,740
		30.00	Single	11,77,190	-	-	11,77,190	3,21,979	41,805	-	3,63,784	8,13,406	8,55,211

Rakhi Shed at Jagan nath Estate	30.00	Single	7,42,389	-	7,42,389	41,978	23,666	-	65,644	6,76,745	7,00,411
			1,71,51,182	-	1,71,51,182	39,71,100	5,64,899	-	45,35,999	1,26,15,183	1,31,80,082
Plant & Machinery											
Plant & Machinery	15.00	Single	1,51,58,836	-	1,51,58,836	74,44,285	10,36,993	-	84,81,278	66,77,558	77,14,551
Analytical Machine Crane	15.00	Single	10,12,099	-	10,12,099	5,71,186	70,983	-	6,42,169	3,69,930	4,40,913
	15.00	Single	10,50,000	-	10,50,000	6,195	66,500	-	72,695	9,77,305	10,43,805
Plant & Machinery - Lunej	15.00	Single	2,81,81,921	-	2,81,81,921	86,05,523	18,16,730	-	1,04,22,253	1,77,59,668	1,95,76,398
			4,54,02,856	-	4,54,02,856	1,66,27,189	29,91,206	-	1,96,18,395	2,57,84,461	2,87,75,667

Furniture & Fittings												
Almond Air Fan Furniture & Fixtures	10.00	Single	-	80,338	-	80,338	-	5,102	-	5,102	75,236	-
	10.00	Single	15,604	-	-	15,604	12,325	-	-	12,325	3,279	3,279
			15,604	80,338	-	95,942	12,325	5,102	-	17,427	78,515	3,279
Office Equipment												
Air Conditioner	5.00	Single	4,65,560	-	-	4,65,560	1,15,970	79,127	-	1,95,097	2,70,463	3,49,590
CCTV	10.00	Single	60,181	-	-	60,181	1,067	11,434	-	12,501	47,680	59,114
R O Plant	10.00	Single	78,000	-	-	78,000	10,101	14,820	-	24,921	53,079	67,899
Water Cooler	10.00	Single	22,200	-	-	22,200	2,103	4,218	-	6,321	15,879	20,097
Refrigerator	10.00	Single	1,19,600	-	-	1,19,600	16,156	22,724	-	38,880	80,720	1,03,444
Water Dispenser	5.00	Single	14,700	-	-	14,700	13,965	-	-	13,965	735	735

Metal Detector	5.00	Single	-	2,200	-	2,200	-	278	-	278	1,922	-
Television	5.00	Single	-	15,753	-	15,753	-	1,164	-	1,164	14,589	-
Amazon	5.00	Single	-	3,389	-	3,389	-	441	-	441	2,948	-
Fire Stick	5.00	Single	1,68,811	22,886	-	1,91,697	87,836	24,613	-	1,12,449	79,248	80,975
Mobile Phones	5.00	Single	-	23,703	-	23,703	-	3,516	-	3,516	20,187	-
Washing Machine	5.00	Single	-	23,703	-	23,703	-	3,516	-	3,516	20,187	-
			9,29,052	67,931	-	9,96,983	2,47,198	1,62,335	-	4,09,533	5,87,450	6,81,854
Motor Vehicles												
Motor Car	8.00	Single	46,21,926	-	-	46,21,926	27,21,976	4,99,671	-	32,21,647	14,00,279	18,99,950
Other Vehicles	10.00	Single	1,28,698	-	-	1,28,698	1,03,182	10,917	-	1,14,099	14,599	25,516
			47,50,624	-	-	47,50,624	28,25,158	5,10,588	-	33,35,746	14,14,878	19,25,466

B	Computers and Data Processing Units Computers and Printer	3.00	Single	4,70,191	90,000	-	5,60,191	4,47,465	3,279	-	4,50,744	1,09,447	22,726
				4,70,191	90,000	-	5,60,191	4,47,465	3,279	-	4,50,744	1,09,447	22,726
													-
	Land	-	-	62,80,540	-	-	62,80,540	-	-	-	-	62,80,540	62,80,540
	Total (A)	-	-	7,50,00,049	2,38,269	-	7,52,38,318	2,41,30,435	42,37,409	-	2,83,67,844	4,68,70,474	5,08,69,614
	Capital Work In Progress												

Buildings													
Bandhu Samaj (WIP)	-	-	1,33,04,304	-	-	1,33,04,304	-	-	-	-	1,33,04,304		1,33,04,304
Factory Shed (WIP)	-	-	28,52,306	61,03,360	-	89,55,666	-	-	-	-	89,55,666		28,52,306
Plant & Machinery													
Plant & Machinery (WIP)	-	-	4,61,59,806	39,75,855	-	5,01,35,661	-	-	-	-	5,01,35,661		4,61,59,806
													-
Total (B)	-	-	6,23,16,416	1,00,79,215	-	7,23,95,631	-	-	-	-	7,23,95,631		6,23,16,416
Grand Total (A+B)	-	-	13,73,16,465	1,03,17,484	-	14,76,33,949	2,41,30,435	42,37,409	-	2,83,67,844	11,92,66,105		11,31,86,030

Sub Note:

- 1) Company had started its plant at Lunej, Khambhat in July, 2014 in a premise which was taken on rent. Initially, the promoters of the company were intending to purchase the whole plant including land & building but there was problem in the clearance of title deed. Therefore, the company entered into a rent agreement with the seller for using the said premise for a period of 11 months and to acquire the plant later on when the title is cleared in the name of the seller. The company invested approximately Rs. 3.00 Crores in plant & machineries for commencing its business activities. As the seller could not clear property title in his name even after completion of a year and it was apparent that seller was delaying the sale process unnecessarily, Company decided to leave the project and shut down plant. Company carried out its last transaction in June 2015 and since then Company has neither done any manufacturing nor carried out any sale transaction in business. During period from July 2014 to June 2015, company made total turnover of Rs. 83.29 Lacs (approx) and Company realized the amount of Rs. 74 Lacs (approximately). At present plant is in the possession of Land Owner and Company is planning to sold out its all assets related with plant as it is not viable for the company to do the business. In June 2015 plant possession was taken by the land owner and stocks of Rs. 9.00 Lacs (approximately) were lying in the factory. At present plant is not working but company is regularly filing its Excise Return.

03 Capital work in progress:

Particulars	As At 31-03- 2020 Amount In `	As At 31-03- 2019 Amount In `	As At 01-04- 2018 Amount In `
Capital work in progress			
Tangible Assets			
Buildings	5,01,35,6 61	4,61,59,8 06	1,26,60,7 86
	2,22,59,9 70	1,61,56,6 10	-
TOTAL ` :	7,23,95,6 31	6,23,16,4 16	1,26,60,7 86

Note : 1 Cost of Fixed Assets and pre-operative expenses, being technical matter, are capitalized or allocated to Capital work in progress on the basis of data certified by technical person & the Management.

04 Non-Current Investments:

Particulars	As At 31-03- 2020 Amount In `	As At 31-03- 2019 Amount In `	As At 01-04- 2018 Amount In `
Investments in Equity Instruments			
Shares of Wholly owned Subsidiary Companies	5,16,20,0 00	5,16,20,0 00	5,16,20,0 00
TOTAL ` :	5,16,20,0 00	5,16,20,0 00	5,16,20,0 00

Investments in Equity Instruments

Sr. No.	Name of the Company	Quoted / Unquote d	Classifica tion
1	Sagardeep Engineers Private Limited	Unquote d	Subsidiar y

05 Financial assets - Others

Particulars	As At 31-03- 2020 Amount In `	As At 31-03- 2019 Amount In `	As At 01-04- 2018 Amount In `
Security Deposits	18,73,128	15,98,680	18,34,570
TOTAL ` :	18,73,128	15,98,680	18,34,570

06 Inventories:

Particulars	As At 31-03- 2020 Amount In `	As At 31-03- 2019 Amount In `	As At 01-04- 2018 Amount In `
Raw Material	6,58,90,750	4,95,66,366	4,15,14,415
Finished Goods	1,80,86,087	1,15,20,362	1,28,81,579
Traded Goods	69,585	71,482	75,000
Work In Progress	19,39,070	8,12,111	14,35,554
TOTAL ` :	8,59,85,492	6,19,70,321	5,59,06,548

07 Trade Receivables:

Particulars	As At 31-03- 2020 Amount In `	As At 31-03- 2019 Amount In `	As At 01-04- 2018 Amount In `
Unsecured Considered Good	6,15,52,932	9,33,89,823	15,04,19,101
Considered doubtful	-	-	-
	6,15,52,932	9,33,89,823	15,04,19,101
Less: Allowance for doubtful debts	-	-	-

	TOTAL ` :	6,15,52,9 32	9,33,89,8 23	15,04,19, 101
08	Cash & cash equivalents:			
	Particulars	As At 31-03- 2020 Amount In `	As At 31-03- 2019 Amount In `	As At 01-04- 2018 Amount In `
	Cash On Hand	2,29,269	1,18,709	2,27,528
	Balance with Banks	82,441	1,39,732	1,43,458
	TOTAL ` :	3,11,710	2,58,441	3,70,986
09	Bank balance other than (11) above:			
	Particulars	As At 31-03- 2020 Amount In `	As At 31-03- 2019 Amount In `	As At 01-04- 2018 Amount In `
	Fixed Deposits with Banks	15,33,34 2	14,50,824	13,67,29 6
	TOTAL ` :	15,33,34 2	14,50,824	13,67,29 6
10	Loans:			
	Particulars	As At 31-03- 2020 Amount In `	As At 31-03- 2019 Amount In `	As At 01-04- 2018 Amount In `
	Advances to Outsiders Loan/Advance to Outsiders	4,82,95,3 02	5,23,04,7 22	3,12,08,2 13
	TOTAL ` :	4,82,95,3 02	5,23,04,7 22	3,12,08,2 13
11	Current tax assets:			

Particulars	As At 31-03- 2020 Amount In `	As At 31-03- 2019 Amount In `	As At 01-04- 2018 Amount In `
Receivable from Government			
Advance Tax Inclu. TDS and TCS	9,68,911	-	1,55,841
Income Tax Refund Receivables	1,30,876	1,30,876	8,93,406
TOTAL ` :	10,99,787	1,30,876	10,49,247

12 Other current assets:

Particulars	As At 31-03- 2020 Amount In `	As At 31-03- 2019 Amount In `	As At 01-04- 2018 Amount In `
Advances to Others			
Advances to Suppliers (Refer Sub Note:1)	2,73,88,493	2,90,44,588	3,20,98,581
GST Receivable	54,69,220	77,61,069	68,67,985
Deposit with Government (Sub Note: 2)	38,13,000	38,13,000	30,33,000
Interest Receivables	-	7,65,933	-
Other Receivables	3,20,433	50,484	-
Prepaid Expenses (Sub Note : 3)	1,62,794	78,516	59,692
TOTAL ` :	3,71,53,940	4,15,13,590	4,20,59,258

Sub Note: 1

Advance to supplier is taken as certified by the management. No security have been given against the same.

Sub Note : 2

Deposit with government includes advances made under VAT Appeal made under Gujarat VAT Act.

Sub Note: 3

Prepaid expenses includes Prepaid Insurance, Memebership, Interenet etc.

13 Equity share capital:

Particulars	As At 31-03- 2020 Amount In `	As At 31-03- 2019 Amount In `	As At 31-03- 2019 Amount In `
Authorized :			
Equity shares 20,000,000 of Rs.10 Each	20,00,00, 000	20,00,00, 000	20,00,00, 000
Issued, Subscribed and Paid up :			
Equity shares 11,371,600 of Rs.10 Each	11,37,16, 000	11,37,16, 000	11,37,16, 000
TOTAL ` :	11,37,16, 000	11,37,16, 000	11,37,16, 000

13. The Details of Shareholder holding more than 5% Shares

Name Of Shareholder	As At 31-03-2020		As At 31-03-2019		As At 31-03-2019	
	No. Of Shares	% Held	No. Of Shares	% Held	No. Of Shares	% Held
Asamalji S. Mehta	14,66,95 0	12.90	14,66,95 0	12.90	14,66,950	12.90
Ashok Devji Parmar	6,60,000	5.80	6,60,000	5.80	6,60,000	5.80
Jayesh A. Mehta	17,51,50 0	15.40	17,51,50 0	15.40	17,51,500	15.40
Sagardeep Engineers Pvt Ltd	6,33,500	5.57	6,33,500	5.57	6,33,500	5.57
Satish A. Mehta	15,78,55 0	13.88	15,78,55 0	13.88	15,78,550	13.88
Ugamdevi A. Mehta	10,40,60 0	9.15	10,40,60 0	9.15	10,40,600	9.15
	71,31,10 0	62.71	71,31,10 0	62.71	71,31,100	62.71

13. The Reconciliation of No. of shares

2 outstanding is set out below:

Name Of Shareholder	As At 31-03-2020		As At 31-03-2019		As At 31-03-2019	
	No.	Amount In `	No.	Amount In `	No.	Amount In `
Equity Shares at the beginning of the year	1,13,71,600	11,37,16,000	1,13,71,600	11,37,16,000	1,13,71,600	11,37,16,000
Equity Shares at the end of the year	1,13,71,600	11,37,16,000	1,13,71,600	11,37,16,000	1,13,71,600	11,37,16,000

14 Other equity:

Particulars	As At 31-03- 2020 Amount In `	As At 31-03- 2019 Amount In `	As At 01-04- 2018 Amount In `
Profit & Loss A/c			
Opening Balance			4624201
	6,89,85,045	5,16,95,061	4
Add: Profit for the year	26,07,043	1,72,89,984	5453047
Closing Balance	7,15,92,088	6,89,85,045	5,16,95,061
Other Comprehensive Income			
Opening Balance	-	-	-
Add: Profit for the year	-	-	-
Closing Balance	-	-	-
Share Premium Account			
Opening Balance	7,85,92,560	7,85,92,560	4,99,64,000

Add:			
Addition/(deletion)	-	-	2,86,28,560
Closing Balance	7,85,92,560	7,85,92,560	7,85,92,560

TOTAL ` :

15,01,84,648	14,75,77,605	13,02,87,621
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15 Borrowings:

Particulars	As At 31-03- 2020 Amount In `	As At 31-03- 2019 Amount In `	As At 01-04- 2018 Amount In `
Unsecured Borrowing:			
Loans and Advances from Related Party	-	52,408	-
Other Loans and Advance	-	-	2,56,871
TOTAL ` :	-	52,408	2,56,871

16 Deferred Tax Liabilities

Particulars	As At 31-03- 2020 Amount In `	As At 31-03- 2019 Amount In `	As At 01-04- 2018 Amount In `
Deferred Tax Liabilities			
DTL on Difference between written down value of property, plant and equipment and capital work-in-progress as per books of accounts and income tax	45,52,742	50,19,716	55,17,984
DTL on Other assets	67,600	72,332	80,340
TOTAL :	46,20,342	50,92,048	55,98,324

17 Financial liabilities - Borrowings:

Particulars	As At	As At	As At
	31-03-2020	31-03-2019	01-04-2018
	Amount	Amount	Amount
	In `	In `	In `
Loans Repayable on Demand - From Banks			
Working Capital Loans - Secured (Sub Note -1)	9,94,39,294	9,59,59,042	9,69,36,927
TOTAL :	9,94,39,294	9,59,59,042	9,69,36,927

Sub Note : 1

i) AXIS Bank C.C. outstanding as on March 31, 2020 is secured against Hypothecation of all current assets of the company (present and future), Plant & Machinery, Furniture and Fixtures, office equipment and other class of movable assets except vehicles financed by other banks.

ii) Collateral Security by Equitable mortgage of Factory Land & Building situated at block no. 2070, Village -Santej, Taluka Kalol, District-Gandhinagar

iii) Interest rate on C.C. is 10.00% and directors have given their personal guarantee for the same.

18 Financial liabilities - Trade Payables:

Particulars	As At	As At	As At
	31-03-2020	31-03-2019	01-04-2018
	Amount	Amount	Amount
	In `	In `	In `
Creditors for Goods	1,72,26,619	1,68,33,353	4,88,01,833
TOTAL ` :	1,72,26,619	1,68,33,353	4,88,01,833

Sub Note: 1

Trade Payable as on March,31 2020 is taken as certified by management. No security have been given for the same.

Sub Note: 2

The company has sent letters asking the MSME status of the suppliers, based on the confirmation received from the suppliers, the company have classified them accordingly, remaining suppliers are kept out of MSME.

19 Other financial Liabilities:

Particulars	As At 31-03- 2020 Amount In `	As At 31-03- 2019 Amount In `	As At 01-04- 2018 Amount In `
Other Payables (Refer Sub Note: 1)	2,22,01,262	3,49,78,518	23,50,883
	2,22,01,262	3,49,78,518	23,50,883
Current Maturities of Long Term Debts (Refer Sub Note: 2)	-	2,56,871	7,96,539
	-	2,56,871	7,96,539
TOTAL ` :	2,22,01,262	3,52,35,389	31,47,422

Sub Note : 1

Other Payables Include Creditors for Expenses and Capital Goods and Advances From Customers

Sub Note : 2

- (i) Vehicle Loan taken from HDFC Bank Limited amounting to Rs. 2,100,000/- repayable in 60 installments of Rs. 44,750/-.
- (ii) Vehicle Loan taken from HDFC Bank Limited amounting to Rs. 1,300,000/- repayable in 60 installments of Rs. 27,720/-.

20 Current liabilities - Provisions:

Particulars	As At 31-03- 2020 Amount In `	As At 31-03- 2019 Amount In `	As At 01-04- 2018 Amount In `
Payable to Government	10,36,355	29,43,196	-
Payable to Others	2,67,218	14,266	4,49,894
TOTAL ` :	13,03,573	29,57,462	4,49,894

21 Revenue From Operations:

Particulars	For the	For the
	year 2019-20	year 2018-19
	Amount In `	Amount In `
Revenue from Sale of Products	40,68,23,469	60,12,61,578
Revenue from Chanasma Sales	12,50,000	-
Revenue from Job Work Packing and Forwarding	5,62,245	3,18,256
	12,47,530	9,46,195
	40,98,83,244	60,25,26,029
Less: GST on Sales	7,18,56,845	9,16,39,017
TOTAL ` :	33,80,26,399	51,08,87,012

22 Other Income:

Particulars	For the	For the
	year 2019-20	year 2018-19
	Amount In `	Amount In `
Interest Income	61,34,407	54,61,149
IPO Subsidy Income		-
Gain/Loss on Foreign Exchange		-
Rent Income	3,00,000	3,77,254
TOTAL ` :	64,34,407	58,38,403

23 Cost of Materials Consumed:

Particulars

		For the year 2019-20 Amount In `	For the year 2018-19 Amount In `
Opening Stock		4,95,66,366	4,15,14,415
Add: Purchases		31,58,81,660	42,25,33,465
		36,54,48,026	46,40,47,880
Less : Closing Stock		6,58,90,750	4,95,66,366
	TOTAL ` :	29,95,57,276	41,44,81,514

24 Purchase of stock in trade:

Particulars	For the year 2019-20 Amount In `	For the year 2018-19 Amount In `
Purchases of goods	19,53,122	3,20,16,866
Labour Purchase	8,37,824	26,45,471
	TOTAL ` :	3,46,62,337

25 Changes in Inventories:

Particulars	For the year 2019-20 Amount In `	For the year 2018-19 Amount In `
At the end of the year: Finished Goods	1,80,86,087	1,15,20,362

Work-In-Progress	19,39,070	8,12,111
Traded Goods	69,585	71,482
	2,00,94,742	1,24,03,955
At the beginning of the year:		
Finished Goods	1,15,20,362	1,28,81,579
Work-In-Progress	8,12,111	14,35,554
Traded Goods	71,482	75,000
	1,24,03,955	1,43,92,133
(Increase)/Decrease in Inventories		
Finished Goods	(65,65,725)	13,61,2175
Work-In-Progress	(11,26,959)	6,23,443
Traded Goods	1,897	3,518
	(76,90,787)	19,88,1787

26 Employee Benefit Expense:

Particulars	For the year 2019-20	For the year 2018-19
	Amount In `	Amount In `
Bonus Expenses	4,25,410	3,35,224
Director's Remuneration	18,00,000	18,00,000
Contribution to Provident Fund and other Funds	91,633	83,348
Salary & Wages Expenses	88,76,514	55,61,078

Staff Welfare Expenses		47,319	51,298
	TOTAL ` :	1,12,40,876	78,30,948

27 Finance Cost:

Particulars		For the year 2019-20	For the year 2018-19
		Amount In `	Amount In `
Interest on Short-Term Loans from Banks		89,47,317	89,11,485
Interest on Others		2,19,288	39,716
Interest on Long-Term Loans from Banks		5,287	73,101
Loan Processing Fees		2,31,059	-
Other Borrowing Costs		32,316	2,04,352
	TOTAL ` :	94,35,267	92,28,654

Sub Note: 1 Interest Expenses are net of interest capitalized in Fixed Assets.

28 Other Expenses:

Particulars		For the year 2019-20	For the year 2018-19
		Amount In `	Amount In `
A) Manufacturing Expenses			
Stores , Spares & Packing Material Consumed		36,24,195	28,84,287
Power , Fuel & Utilities Expenses		1,20,10,364	1,29,99,486
Labour Charges		45,061	1,28,915
Repairs & Maintanance Expenses		6,27,809	7,00,553
Other Manufacturing Expenses		-	-

	1,63,07,4	1,67,13,2
	29	41
B) Administrative , Selling & Other Expenses		
Postage , Telephone & Computer Expenses	40,897	26,969
Custom Duty	-	-
Stationery & Printing Expenses	1,000	28,346
Commission Expenses	28,734	
Travelling, Conveyance & Vehicle Expenses	210	1,307
Legal & Professional Fees	8,69,661	17,37,662
Insurance Expenses	94,307	86,116
Kasar Vatav	4,95,536	-
Bad Debts Expenses	-	-
Loss on Foreign Exchange	34,936	
Indirect Duty Expenses	9,98,311	-
Office Expenses	1,21,106	1,36,296
Selling & Distribution Expenses	47,625	36,961
Freight Expenses	8,57,168	6,68,027
Other Expenses	9,74,615	10,97,485
Loss of Goods by theft	-	-
Membership Expenses	-	-
Municipal Tax Expenses	83,091	-
Depository Charges	2,500	5,19,904
Security Expenses	7,68,270	-
Sundry Balances		
Written Off	-	28,246
	54,17,96	43,67,319
	7	
TOTAL ` :	2,17,25,3	2,10,80,5
	96	60

29 Earning Per Share

:

Particulars	For the year 2019-20	For the year 2018-19
	Amount In `	Amount In `
Basic Earning Per Share	0.23	1.52
Diluted Earning Per Share	0.23	1.52
Nominal Value Per Share	Rs. 10.00	Rs. 10.00

Earning Per share is calculated by dividing the Profit/(Loss) attributable to the Equity Shareholders by the weighted average number of Equity Shares outstanding during the year. The numbers used in calculating basic and diluted earning per Equity Share as stated below

Particulars	For the year 2019-20	For the year 2018-19
	Amount In `	Amount In `
Profit / (Loss) after taxation	26,07,043	1,72,89,984
Net Profit / (Loss) attributable to Equity Shareholders	26,07,043	1,72,89,984
Weighted Average Number of shares outstanding during the year	1,13,71,600	1,13,71,600

30 First time adoption of Ind AS

Transition to Ind AS

These are the Company's first financial statement prepared in accordance with Ind AS.

30.1 Exemptions and exceptions availed

The accounting policies set out in Note 1, have been applied in preparing the financial statements for the year ended March 31, 2020, the comparative information presented in these financial statements for the year ended March 31, 2019 and in the preparation of opening Ind AS balance sheet as at April 1, 2018. In preparing its opening balance sheet, the Company has adjusted the amounts reported previously in financial statements prepared in accordance with accounting standards notified under Companies (Accounting Standards) Rules, 2006 (as amended) and other relevant provisions of the Act (previous GAAP or Indian GAAP). An explanation of how the transition from from previous GAAP to Ind AS has affected the Company's financial position, financial performance and cash flows is set out in the following tables and notes.

Ind AS optional exemptions cost

Deemed cost:- Ind AS 101 permits a first-time adopter to elect to continue with the carrying value for all of its property, plant and equipment as recognised in the financial statements as at the date of transition to Ind AS, measured as for the previous GAAP and use that as its deemed cost as at date of transition after making necessary adjustments for decommissioning liabilities. The exemption can also be used for intangible assets covered by Ind -38 Intangible Assets. Accordingly, the Company has elected to measure all of its property, plant and equipment and intangible assets at their previous GAAP carrying values as at April 1, 2018.

30.2 Ind AS mandatory exceptions

Classification and measurement of financial assets: Ind AS 101 requires an entity to assess classification and measurement of financial assets (investment in debt instruments) on the basis of the facts and circumstances that exist at the date transition to Ind AS.

Impairment of financial assets: An entity shall determine the approximate credit risk at the date that financial instruments were initially recognized and compare that to the credit risk at the date of transition to Ind. This should be based on reasonable and supportable information that is available without undue cost or efforts. If any entity is unable to make this determination without undue cost or effort, it shall recognise a loss allowance at an amount equal to lifetime expected credit losses at each reporting date until that financial instrument is de-recognised. The Company has this exception to analyse credit risk of the financial assets as the date of transition instead of the date of initial recognition.

31 Financial and Derivative Instruments

Capital Management

- 1) The company's objective when managing capital is to:
- Safeguard its ability to continue as a going concern so that the Company is able to provide maximum return to stakeholders and benefits for other stakeholders.
 - Maintain an optimal capital structure to reduce the cost of capital.
- The company's Board of director's reviews the capital structure on regular basis. As part of this review the board considers the cost of capital risk associated with each class of capital requirements and maintenance of adequate liquidity.

Disclosures

This section gives an overview of the significance of financial instruments for the Company and provides additional information on balance sheet items that contain financial instruments.

The details of significant accounting policies, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognized in respect of each class of financial asset, financial liability and equity instrument are disclosed in Note provided hereunder :

Categories of Financial Instruments

Particulars	As at 31st March,2020	As at 31st March,2019	As at 1st April,2018
Financial Assets			
Measured at Amortised Cost			
1) Trade Receivables	6,15,52,932	9,33,89,823	15,04,19,101
2) Cash & Cash Equivalents	18,45,052	17,09,265	17,38,282
3) Loans	7,56,83,795	8,13,49,310	6,33,06,794
4) Other Financial Assets	1,14,75,781	1,32,23,233	1,17,35,555
5) Investments	5,16,20,000	5,16,20,000	5,16,20,000
Financial Liabilities			
Measured at Amortised Cost			
1) Borrowings	9,94,39,294	9,60,11,450	9,71,93,798

2) Trade Payables	1,72,26,619	1,68,33,353	4,88,01,833
3) Other Financial Liabilities	2,22,01,262	3,52,35,389	31,47,422

2) **Fair Value**

Measurement :

This note provides information about how the Company determines fair values of various financial assets.

Fair Value of financial assets and liabilities that are not measured at fair value (but fair value disclosures are required).

Management considers that the carrying amounts of financial assets and financial liabilities recognized in the financial statements approximate their fair values.

3) **Financial Risk Management**

Objectives

While ensuring liquidity is sufficient to meet Company's operational requirements, the Company's financial management committee also monitors and manages key financial risks relating to the operations of the Company by analyzing exposures by degree and magnitude of risks. These risks include market risk (including currency risk and price risk), credit risk and liquidity risk.

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 comprises two types of risk: interest rate, currency risk and other price risk, such as commodity price risk and equity price risk. Financial instruments affected by market risk include FVTPL investments, trade payables, trade receivables, etc.

Liquidity Risk

The Company manages liquidity risk by maintaining sufficient cash and cash equivalents including bank deposits and availability of funding through an adequate amount of committed credit facilities to meet the obligations when due.

Management monitors rolling forecasts of liquidity position and cash and cash equivalents on the basis of expected cash flows. In addition, liquidity management also involves projecting cash flows considering level of liquid assets necessary to meet obligations by matching the maturity profiles of financial assets & liabilities and monitoring balance sheet liquidity ratios.

The following tables detail the Company's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The information included in the tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay. The

contractual maturity is based on the earliest date on which the Company may be required to pay.

Particulars	Due in 1 Year	1 year - 3 years	More than 3 Years	Total
As at 31st March 2020				
Borrowings	9,94,39,294	-	-	9,94,39,294
Trade Payables	1,72,26,619	-	-	1,72,26,619
Other Financial Liabilities	2,22,01,262	-	-	2,22,01,262
Total	13,88,67,175	-	-	13,88,67,175
As at 31st March 2019				
Borrowings	9,60,11,450	-	-	9,60,11,450
Trade Payables	1,68,33,353	-	-	1,68,33,353
Other Financial Liabilities	3,52,35,389	-	-	3,52,35,389
Total	14,80,80,192	-	-	14,80,80,192
As at 1st April 2018				
Borrowings	9,71,93,798	-	-	9,71,93,798
Trade Payables	4,88,01,833	-	-	4,88,01,833
Other Financial Liabilities	31,47,422	-	-	31,47,422
Total	14,91,43,053	-	-	14,91,43,053

Trade Receivables

The Company has a detailed review mechanism of overdue customer receivables at various levels within organisation to ensure proper attention and focus for realisation

Particulars	Due in 1 Year	1 year - 3 years	More than 3 Years	Total
As at 31st March 2020				
1) Trade Receivables	6,15,52,932	-	-	6,15,52,932
2) Cash & Cash Equivalentents	3,11,710	15,33,342	-	18,45,052
3) Loans	-	7,56,83,795	-	7,56,83,795
4) Other Financial Assets	1,14,75,781	-	-	1,14,75,781
5) Investments	-	-	5,16,20,000	5,16,20,000
Total	7,33,40,423	7,72,17,137	7,48,73,765	20,21,77,560
As at 31st March 2019				
1) Trade Receivables	9,33,89,823	-	-	9,33,89,823
2) Cash & Cash Equivalentents	2,58,441	14,50,824	-	17,09,265
3) Loans	-	8,13,49,310	-	8,13,49,310
4) Other Financial Assets	1,32,23,233	-	-	1,32,23,233
5) Investments	-	-	5,16,20,000	5,16,20,000
Total	10,68,71,497	8,28,00,134	5,16,20,000	24,12,91,631
As at 1st April 2018				

1) Trade Receivables	15,04,19,101	-	-	15,04,19,101
2) Cash & Cash Equivalents	3,70,986	13,67,296	-	17,38,282
3) Loans	-	6,33,06,794	-	6,33,06,794
4) Other Financial Assets	1,17,35,555	-	-	1,17,35,555
5) Investments	-	-	5,16,20,000	5,16,20,000
Total	16,25,25,642	6,46,74,090	5,16,20,000	27,88,19,732

32 Related Party Disclosures:

32.1 Related Parties & their Relationship

As per IND AS 24, the disclosures of transactions with the related parties are given below:

i) List of Related parties where control exists and related parties with whom transactions have taken place and relationships:

Sr. No.	Name of Related Parties ^{##}	Relationship
(i)	Satish Asamal Mehta	Managing Director
(ii)	Jayesh Asamal Mehta	Whole Time Director
(iii)	Krishnakant Somani	CFO
(iv)	Barkha Deshmuk	CS
(v)	Nayan Pitroda	CS
(vi)	Sagardeep Engineers Private Limited	Wholly Owned Subsidiary

32.2 Transactions with Related Parties

Particulars	Nature of Transaction	Amount (In Rs.)
Satish Asamal Mehta	Director Remuneration	9,00,000
Jayesh Asamal Mehta	Director Remuneration	9,00,000
Krishnakant Somani	Remuneration	9,00,000
Nayan Pitroda	Remuneration	2,88,200
Barkha Deshmuk	Remuneration	2,02,000

##Only those related party names are mentioned with whom transactions have took place during the year.

- 33** Certain Balance of Debtors, Creditors, Loans & Advances for Capital expenditures are non-moving / sticky . However in view of the management, the same is recoverable / payable. Hence no provision for the same is made in the books of accounts.
- 34** In the opinion of the Board of Directors, the current assets, loans and advances are approximately of the value stated, ifrealized in the ordinary course of business and the provisions for depreciation and all known and ascertained liabilities areadequate and not in excess of the amounts reasonably necessary.
- 35** The balance confirmation from the suppliers, customers as well as to various loans or advances given have been called for, but the same are awaited till the date of audit. Thus, the balances of receivables, trade payables as well as loans and advances have been taken as per the books of accounts submitted by the company and are subject to confirmation from the respective parties.
- 36** As informed to us, the Contingent Liability is NIL
- 37** Previous year's figures have been regrouped and rearranged wherever necessary.
- 38 Segment Reporting**

The Company has a business segment other than Manufacturing of Copper Pipes, however it fails to fulfil the Segment Reporting criteria. So Segment Reporting is not done.

39 Tax Reconciliation

Income Tax Recognised in statement of Profit and Loss	For the year ended 31st March,2020	For the year ended 31st March,2019
Current tax		
In Respect of the Current year	10,09,590	65,91,075
Short/Excess Provision of Earlier years	-	17,188.00
Deferred Tax (Credit)/Charged	(4,71,706)	(5,06,276)
Total Income tax expense recognised in respect of continuing Operations	5,37,884	61,01,987

The income tax expense for the year can be reconciled to the accounting profit as follows:

Particulars	For the year ended 31st March,2020	For the year ended 31st March,2019
Profit Before Taxes	31,44,927	2,33,91,971
Enacted Tax Rate in India	26%	30%
Expected income tax benefit/(expense) at statutory tax rate	10,09,590	65,91,075
Effect of:		
Deferred tax(credit) /Charged	(4,71,706)	(5,06,276)
Income taxes recognised in the Statement of Profit and Loss	5,37,884	60,84,799

The Tax Rate used for the 2019-2020 reconciliation above is the corporate tax rate of 25% plus Cess @4% payable by corporate entities in india on taxable Profits under the indian tax laws.

Components of Deferred tax assets and Liabilities

Particulars	For the year ended 31st March,2020	For the year ended 31st March,2019
A) Deferred tax Liabilities		
Difference between book and tax depreciation	45,52,742	50,19,716
B) Deferred tax Liabilities		
Difference between book and tax depreciation		
DTL on Other assets	67,600	72,332

Notes referred to herein above form an integral part of the Financial Statements

Consolidated Independent Auditors' Report

**TO,
THE MEMBERS OF
SAGARDEEP ALLOYS LIMITED**

Report on The Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of **SAGARDEEP ALLOYS LIMITED** ("the Holding Company"), and its subsidiaries listed in Annexure -I (Holding Company and its subsidiaries together referred as "the Group") which comprises the Consolidated Balance Sheet as at **March 31, 2020**, the Consolidated Profit and Loss Statement (including other comprehensive income), consolidated statement of changes in equity and the Consolidated Cash Flow Statement for the year then ended and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (herein after referred as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ('the Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at 31 March 2020, of its consolidated profit and other comprehensive income, consolidated changes in equity and consolidated cash flows for the year then ended.

Basis for Opinion

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

Key Audit Matters

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

We have determined that there are no key audit matters to be communicated in our report.

Other Information

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

Our opinion on the consolidated 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 consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

The Holding Company's management and Board of Directors are responsible for the preparation and presentation of these consolidated financial statements in terms of the requirements of the Act that give a true and fair view of the consolidated state of affairs, consolidated profit/loss and other comprehensive income, consolidated statement of changes in equity and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act. The respective management and Board of Directors of the entities included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of each entity and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the 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 consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the management and Board of Directors of the Holding Company, as aforesaid.

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

The respective Board of Directors of the entities included in the Group are responsible for overseeing the financial reporting process of each entity.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' 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 consolidated financial statements.

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

- a. Identify and assess the risks of material misstatement of the standalone 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.
- b. Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company and its subsidiary companies which are companies incorporated in India, has adequate internal financial controls system in place and the operating effectiveness of such controls.
 - c. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
 - d. 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 ability of the Company 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 standalone 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.
 - e. Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
 - f. Obtain sufficient appropriate audit evidence regarding the financial information of such entities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of financial information of the entities included in the consolidated financial statements. We remain solely responsible for our audit opinion.

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

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors 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 consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' 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

- A. As required by Section 143(3) of the Act, based on our audit, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) the consolidated balance sheet, the consolidated statement of profit and loss (including other comprehensive income), the consolidated statement of changes in equity and the consolidated statement of cash flows dealt with by this Report are in agreement with the books of account

maintained for the purpose of preparation of the consolidated financial statements;

- d) In our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
- e) On the basis of the written representations received from the directors of holding 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 over financial reporting with reference to Consolidated Financial Statements of the holding company and its subsidiary companies incorporated in India and the operating effectiveness of such controls, refer to our separate Report in “Annexure A”.
- B. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
1. The company has disclosed the impact of pending litigation on its consolidated financial position in its consolidated financial statement.
 2. The Group does not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 3. There was no amount which are required to be transferred, to the investor’s education and protection fund by the company.
 4. The disclosures in the consolidated financial statements regarding holdings as well as dealing in specified bank notes during the period from 8 November 2016 to 30 December 2016 have not been made since they do not pertain to the financial year ended 31 March 2020.
- C. With respect to the matter to be included in the Auditors’ report under Section 197(16) of the Act:

In our opinion and according to the information and explanation given to us, the remuneration paid during the current year by the Holding Company and its subsidiaries which are incorporated in India to its directors is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director by the Holding Company and its subsidiaries which are incorporated in India, is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) of the Act which are required to be commented upon by us.

For Piyush J. Shah & Co.
Chartered Accountants
FRN: 121172W

Piyush J. Shah
Partner
M. No.: 108670
UDIN: 20108670AAAABW6631
Place: Ahmedabad
Date: 27th June, 2020

Annexure - A to the Independent Auditors' Report

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act") on the Consolidated Financial Statements of Sagardeep Alloys Limited

Opinion

In conjunction with our audit of the consolidated financial statements of Sagardeep Alloys Limited ("the Holding Company") as of 31 March 2020, we have audited the internal financial controls with reference to the consolidated financial statements of the Holding Company and such companies incorporated in India under the Companies Act, 2013 which are its subsidiary companies, as of that date. In our opinion, the Holding Company and such companies incorporated in India which are its subsidiary companies, have, adequate internal financial controls with reference to consolidated financial statements and such internal financial controls were operating effectively as at 31 March 2020, based on the internal financial controls with reference to consolidated financial statements criteria established by such companies considering the essential components of such internal controls stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

Management's Responsibility for Internal Financial Controls

The respective company's management and the Board of Directors are responsible for establishing and maintaining internal financial controls with reference to consolidated financial statements based on the criteria established by the respective company considering the essential components of internal control stated in the Guidance Note. 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 the respective 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 (hereinafter referred to as "the Act").

Auditors' Responsibility

Our responsibility is to express an opinion on the internal financial controls with reference to consolidated financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to consolidated financial statements. 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 with reference to consolidated financial statements were 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 with reference to consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated financial statements included obtaining an understanding of internal financial controls with reference to consolidated financial statements, assessing the risk that a material weakness exists and testing and evaluating the design and operating effectiveness of the internal control based on the assessed risk. The procedure selected depend on the auditor's judgement, including the assessment of risks of material misstatement of the consolidated 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 internal financial controls with reference to consolidated financial statements.

Meaning of Internal Financial Controls with reference to Consolidated Financial Statements

A company's internal financial controls with reference to consolidated financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of consolidated financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to consolidated financial statements 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 consolidated financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the consolidated financial statements.

Inherent Limitations of Internal Financial Controls with reference to Consolidated Financial Statements

Because of the inherent limitations of internal financial controls with reference to consolidated financial statements, 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 with reference to consolidated financial statements to future periods are subject to the risk that the internal financial controls with reference to consolidated financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

**For Piyush J. Shah & Co.
Chartered Accountants
FRN: 121172W**

**Piyush J. Shah
Partner
M. No: 108670
UDIN: 20108670AAAABW6631**

**Place: Ahmedabad
Date: 27th June, 2020**

Annexure - I List of entities consolidated

1. Sagardeep Engineers Private Limited

Sagardeep Alloys Limited

Standalone Balance Sheet as at 31st March, 2020

Particulars	AMOUNT IN	AMOUNT IN
	31-Mar-2020	31-Mar-2019
I. ASSETS		
1 Non-current assets		
(a) Property, plant & Equipment		6,06,55,005
	5,65,00,930	
(b) Capital work in progress		8,65,76,978
	9,66,56,193	
(c) Investment properties	-	-
(d) Goodwill	-	-
(e) Other intangible assets	-	-
(f) Intangible assets under development	-	-
(g) Biological assets other than bearer plants	-	-
(h) Financial assets		
(i) Investments in Subsidiaries	-	-
(ii) Trade receivables	-	-
(iii) Loans		27,69,658
	5,27,381	
(iv) Others		15,98,680
	18,73,128	
(i) Deferred tax assets (net)	-	-
(j) Other Non-current assets	-	-
		15,16,00,321
	15,55,57,632	
2 Current assets		
(a) Inventories		6,19,70,321
	8,59,85,492	
(b) Financial assets		
(i) Investments	-	-
(ii) Trade receivables		15,17,04,831
	7,28,14,169	
(iii) Cash and cash equivalents		2,99,427
	4,04,662	
(iv) Bank balance other than (iii) above		14,50,824
	15,33,342	
(v) Loans		5,23,04,722
	4,82,77,311	
(vi) Others	-	-

(c)	Current tax assets (net)	9,68,911	2,35,897
(d)	Other current assets	3,74,40,915	4,08,45,985
			30,88,12,007
	Total assets	24,74,24,802	
		40,29,82,434	46,04,12,328
II.	EQUITY AND LIABILITIES		
1	Equity		
(a)	Equity share capital	10,73,81,000	10,73,81,000
(b)	Other equity	14,87,34,834	14,64,55,075
		25,61,15,834	25,38,36,075
2	Liabilities		
	Non-current liabilities		
(a)	Financial liabilities		
(i)	Borrowings	11,31,570	1,04,75,978
(ii)	Trade payables	-	-
(iii)	Other financial liabilities (other than those specified in (b))	-	-
(b)	Provisions	-	-
(c)	Deferred tax liabilities (net)	54,52,282	60,47,414
(d)	Other non-current liabilities	-	-
		65,83,852	1,65,23,392
3	Current liabilities		
(a)	Financial liabilities		
(i)	Borrowings	9,94,39,294	9,59,59,042
(ii)	Trade payables	1,72,26,619	5,60,22,374
(iii)	Other financial liabilities (other than those specified in (c))	2,21,16,981	3,49,99,573
(b)	Other current liabilities	-	-
(c)	Provisions	14,99,854	30,71,872
(d)	Current tax liabilities (net)	-	-
		14,02,82,748	19,00,52,861
		40,29,82,434	46,04,12,328

Summary of significant accounting policies

The accompanying notes are an integral part of the financial statements.

As per our report of even date

**For Piyush J. Shah & Co.
Chartered Accountants
FRN : 121172W**

For Sagardeep Alloys Limited

**Satish Ashmal
Mehta
Director
DIN - 01958984**

**Krishnakant Somani
CFO**

**Piyush J. Shah
Partner
M. No. 108670**

**Jayesh Ashmal
Mehta
Director
DIN - 02156140**

**Nayan Pitroda
Company Secretary**

**Place :
Ahmedabad
Date : 27/06/2020**

**Place : Santej
(Kalol)
Date :
27/06/2020**

Sagardeep Alloys Limited

Standalone Profit and loss statement for the year ended 31st March , 2020

Particulars	Note	AMOUNT IN 31-Mar-2020	AMOUNT IN 31-Mar-2019
I. Revenue from operations	21	33,80,26,399	51,08,87,012
II. Other Income	22	66,80,483	66,84,403
III. Total Revenue (I + II)		34,47,06,882	51,75,71,415
IV. Expenses:			
Cost of materials consumed	23	29,95,57,276	41,44,81,514
Purchase of stock in trade	24	27,90,946	3,46,62,337
Changes in Inventories of finished goods, stock in trade & WIP,	25	(76,90,787)	19,51,057
Employee benefits expenses	26	1,12,40,876	78,30,948
Finance costs	27	96,26,942	1,00,80,548
Depreciation and amortization expense		43,92,344	42,18,681
Other expenses	28	2,18,27,261	2,11,69,260
Total expenses (IV)		34,17,44,858	49,43,94,345
V. Profit/(Loss) before exceptional items and tax (III-IV)		29,62,024	2,31,77,070
VI. Exceptional items		19,496	-
VII. Profit/(Loss) before tax (V - VI)		29,42,528	2,31,77,070
VIII. Tax expenses			
(1) Current tax		10,09,590	63,42,765
(2) Deferred tax		(3,46,821)	(66,863)
(3) Short / (Excess) Provision			17,188
IX. Profit/(Loss) for the period from continuing operations (VII- VIII)		22,79,759	1,68,83,980
X. Profit/(Loss) for the period from discontinued operations			
XI. Tax expenses of discontinued operations			

XII. Profit/(Loss) after tax for the period from discontinued operations (X-XI)		-	
XIII. Profit/(Loss) for the period		22,79,759	1,68,83,980
XIV. Other comprehensive income			
A) (i) Items that will not be reclassified to profit or loss		-	-
(ii) Income tax relating to items that will not be reclassified to profit or loss		-	-
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			
XV. Total Comprehensive income for the period (XIII+XIV) (Comprising Profit/(Loss) and Other comprehensive income for the period)		22,79,759	1,68,83,980
XII Earnings per equity share (for continuing operations):			
(1) Basic	29	0.21	1.57
(2) Diluted		0.21	1.57
XII Earnings per equity share (for discontinued operations):			
(1) Basic		-	
(2) Diluted		-	
XII Earnings per equity share (for discontinued & continuing operations):			
(1) Basic		0.21	1.57
(2) Diluted		0.21	1.57

Summary of significant accounting policies 01
to
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The accompanying notes are an integral part of the financial statements.

As per our report of even date

For Piyush J. Shah & Co.
Chartered Accountants
FRN : 121172W

For Sagardeep Alloys Limited

Satish Ashmal Krishnakant Somani
Mehta
Director CFO
DIN - 01958984

Piyush J. Shah
Partner
M. No. 108670

Jayesh Ashmal Nayan Pitroda
Mehta
Director Company Secretary
DIN - 02156140

Place : Ahmedabad
Date : 27/06/2020

Place : Santej
(Kalol)
Date :
27/06/2020

Sagardeep Alloys Limited

Standalone Cash Flow Statement for the Period ended 31st March, 2020

PARTICULARS	AMOUNT IN Rs. 31-Mar-2020	AMOUNT IN Rs. 31-Mar-2019
Cash flow from operating activities:		
Net profit before tax as per statement of profit and loss	29,42,528	2,31,77,070
Adjusted for:		
Depreciation & amortization	43,92,344	42,18,681
Interest income on loans & advances given	(61,41,733)	(54,61,149)
Loss on Sales of Fixed Assets		
Net Gain and Loss on Foreign Exchange	-	-
Interest & finance costs	96,26,942	1,00,80,548
Operating cash flow before working capital changes	1,08,20,081	3,20,15,150
Adjusted for:		
(Increase)/ decrease in Inventories	(2,40,15,171)	(61,00,894)
(Increase)/ decrease in trade receivables	7,88,90,662	5,79,35,949
Increase/ (decrease) in trade payables	(3,87,95,755)	(3,54,04,281)
Increase/ (decrease) in other current assets	26,72,056	22,88,971
Increase/ (decrease) in other current liabilities	(1,28,82,592)	3,19,80,485
Increase/ (decrease) in long term provisions	-	-
Increase/ (decrease) in short term provisions	(15,72,018)	(38,60,321)
Cash generated from / (used in) operations	1,51,17,263	7,88,55,059
Income taxes paid	(12,57,901)	(17,188)
Net cash generated from/ (used in) operating activities [A]	1,38,59,362	7,88,37,871
Cash flow from investing activities:		
Purchase of property plant & equipment	(1,03,17,484)	(5,38,87,610)
Sales of Fixed Assets	-	33,00,000
Interest income on loans & advances given	61,41,733	54,61,149
(Increase)/ decrease in long term loans and advances	(2,74,448)	2,35,890
(Increase)/ decrease in short term loans and advances	62,69,688	(2,10,96,509)
Net cash flow from/(used) in investing activities [B]	18,19,489	(6,59,87,080)
Cash flow from financing activities:		
Increase in / Repayment of Long-Term Borrowings	(93,44,408)	(19,73,833)
Increase in / Repayment of Short-Term Borrowings	34,80,252	(9,77,885)
Interest & finance costs	(96,26,942)	(1,00,80,548)
Net Gain and Loss on Foreign Exchange	-	-
Proceeds from the Issue of Shares	-	-
Net cash flow from/(used in) financing activities [C]	(1,54,91,098)	(1,30,32,266)

Net increase/(decrease) in cash & cash equivalents [A+B+C]	1,87,753	(1,81,475)
Cash & cash equivalents as at beginning of the period	17,50,251	19,31,726
Cash & cash equivalents as at end of the period	19,38,004	17,50,251
Cash & Cash equivalents consist of		
Cash & Cash equivalent	16,28,634	15,82,372
Bank Balance other than mentioned above	3,09,370	1,67,879
	19,38,004	17,50,251

Summary of significant accounting policies

The accompanying notes are an integral part of the financial statements.

As per our report of even date

For Piyush J. Shah & Co.
Chartered Accountants
FRN : 121172W

For SagarDeep Alloys Limited

Satish Ashmal Mehta
Director
DIN - 01958984

**Krishnakant
Somani**
CFO

Piyush J. Shah
Partner
M.No. : 108670

Jayesh Ashmal Mehta
Director
DIN - 02156140

Nayan Pitroda
Company
Secretary

Place : Ahmedabad

Date : 27/06/2020

Place : Santej (Kalol)
Date : 27/06/2020

A Equity Share Capital:

Amount In `

Balances at the beginning of the reporting period	Changes in equity capital during the year	Balances at the end of the reporting period
10,73,81,000	-	10,73,81,000

B Other Equity:

Particulars	Reserves & Surplus		Other Comprehensive Income	Total
	Securities premium reserves	Retained earnings		
Balance as at April 01, 2018	7,85,92,560	5,16,95,061	-	13,02,87,621
Profit/(Loss) for the period	-	1,68,83,980	-	1,68,83,980
Other comprehensive income for the year	-	-	-	-
Total comprehensive income for the year	-	1,68,83,980	-	1,68,83,980
Balance as at March 31, 2019	7,85,92,560	6,85,79,041	-	14,71,71,601
Balance as at April 01, 2019	7,85,92,560	6,85,79,041	-	14,71,71,601
Profit/(Loss) for the period	-	22,79,759	-	22,79,759
Other comprehensive income for the year	-	-	-	-
Total comprehensive income for the year	-	22,79,759	-	22,79,759
Balance as at March 31, 2020	7,85,92,560	7,08,58,800	-	14,94,51,360

Note: 1

Note: A**General Information:**

Sagardeep Alloys Limited (CIN L29253GJ2007PLC050007) is incorporated under the Companies Act, 1956 with its registered office at Plot No. 2070, Rajnagar Patiya, Santej Khatraj Road, Santej, Kalol, Gandhinagar, Gujarat -382721.

The Company is engaged in the business of of Copper Items & Chemicals and Trading in Ferrous and Non Ferrous Metals

The financial statements for the year ended on 31st March, 2020 are approved by the Board of Directors and authorised for issue on 26th June, 2020.

Significant Accounting Policies**1. Statement of Compliance**

The company has adopted all the Ind AS and the adoption was carried out in accordance with Ind AS 101, First Time Adoption of Indian Accounting Standard. The transition was carried out from Indian Accounting Principles generally accepted in India as prescribed under section 133 of the Act read with Rule 7 of the Companies (Accounts) Rules, 2014. Reconciliations and descriptions of the effect of the transitions have been summarised in the annexers attached.

2. Basis of Preparation and Presentation

i) The financial statements are prepared on historical cost basis in accordance with applicable Indian Accounting Standards (Ind AS) and on accounting principles of going concern except current investments which are measured at fair values. These financial statements have been prepared to comply with all material aspects with the Indian accounting standards notified under section 133 of the Act, (the "Act") read with Rule 7 of the Companies (Accounts) Rules, 2014, and the other relevant provisions of the Act.

ii) Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policies hitherto in use.

iii) As the quarter and year figures are taken from the source and rounded to the nearest digits, the figures already reported for all the quarters during the year might not always add up to the year figures reported in this statement.

iv) All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Act. Based on the nature of products and the time between the acquisition of assets for processing and their realization in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current classification of assets and liabilities.

3. Property, Plant and Equipments

Property, Plant and Equipment are stated at original cost (net of tax/duty credit availed) less accumulated depreciation and impairment losses. Cost includes cost of acquisition, construction and installation, taxes, duties, freight, other incidental expenses related to the acquisition, and pre-operative expenses including attributable borrowing costs incurred during pre-operational period.

i) Land and buildings held for use in the production or supply of goods or services, or for administrative purposes, are stated in the balance sheet at deemed cost less accumulated depreciation. Freehold land is not depreciated.

ii) Properties in the course of construction for production, supply or administrative purposes are carried at cost, less any recognised impairment loss. Cost includes professional fees and, for qualifying assets, borrowing costs capitalised in accordance with the Company's accounting policy. Such properties are classified to the appropriate categories of property, plant and equipment when completed and ready for intended use. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

iii) Fixtures and equipment are stated at cost less accumulated depreciation and accumulated impairment losses.

iv) 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 the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

v) Subsequent expenditures related to an item of Tangible Asset are added to its book value only if they increase the future benefits from the existing asset beyond its previously assessed standard of performance.

vi) Assets which are not ready for their intended use on reporting date are carried as capital work-in-progress at cost, comprising direct cost and related incidental expenses

Useful lives of the Property, Plant and Equipment as notified in Schedule II to the Companies Act, 2013 are as follows :

Buildings - 3 to 60 years

Plant and Equipments - 15 to 25 years

Furniture and Fixtures - 10 years

Vehicles - 8 to 10 years

Office Equipments - 5 to 10 years

4. Depreciation

i) Depreciation on tangible Fixed Assets is provided for on basis of useful life specified in Schedule II to the Act.

ii) Intangible assets such as Software are amortized in ten equal yearly installments commencing from the year in which the tangible benefits start accruing to the Company from such assets.

iii) Depreciation is charged as per the provisions of Schedule II to the Act based upon useful life of assets. The useful life is adopted for the purpose of depreciation is as under.

5. Employee Benefits

Short-term employee benefits are recognized as an expense at the undis-counted amount in the Statement of Profit and Loss of the year in which the related service is rendered

Employee benefits in the form of Provident Fund is considered as defined contribution plan and the contributions to Employees' Provident Fund Organization established under The Employees' Provident Fund and Miscellaneous Provisions Act 1952 is charged to the Statement of Profit and Loss of the year when the contributions to the respective funds are due. The Company pays provident fund contributions to publicly administered provident funds as per local regulations. The Company has no further payment obligations once the contributions have been paid.

6. Inventories

The cost of inventories have been computed to include all cost of purchases, cost of conversion and other related costs incurred in bringing the inventories to their present location and condition. The costs of Raw Materials, Stores and spare parts etc., consumed consist of purchase price including duties and taxes (other than those subsequently recoverable by the enterprise from the taxing authorities), freight inwards and other expenditure directly attributable to the procurement.

7. Revenue Recognition

The Company derives revenues primarily from sale of manufactured goods. Effective 01 April 2018, the Company has adopted Indian Accounting Standard 115 (Ind AS 115) - 'Revenue from contracts with customers' using the cumulative catch-up transition method, applied to contracts that were not completed as on the transition date i.e. 01 April 2018. Accordingly, the comparative amounts of revenue and the corresponding contract assets /liabilities have not been retrospectively adjusted. The effect on adoption of Ind-AS 115 was insignificant.

Sale of Goods: Revenue from sales of goods is recognized on transfer of significant risks and rewards of ownership to the customers. Revenue shown in the Statement of Profit and Loss excludes, returns, trade discounts, cash discounts, Goods & Service Tax.

Interest income is recognized on a time proportion basis taking into account the amount outstanding and the interest rate applicable.

8. Cash Flow Statement

Cash flows are reported using indirect method, whereby profit before tax is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flow from regular revenue generating, financing and investing activities of the Company is segregated.

Cash and cash equivalents in the balance sheet comprise cash at bank, cash/cheques in hand and short term investments with an original maturity of three months or less.

9. Financial Assets

The Company classifies its financial assets as those to be measured sub-sequently at fair value (either through other comprehensive income, or through profit or loss), and those to be measured at amortized cost.

Trade receivables represent receivables for goods sold by the Company upto to the end of the financial year. The amounts are generally unsecured and are usually received as per the terms of payment agreed with the customers. The amounts are presented as current assets where receivable is due within 12 months from the reporting date.

A financial asset is derecognized only when the Company has transferred the rights to receive cashflows from the financial asset, or when it has transferred substantially all the risks and rewards of the asset, or when it has transferred the control of the asset.

10. Financial Liabilities

Borrowings are removed from balance sheet when the obligation specified in the contract is discharged, cancelled or expired.

Trade Payables represent liabilities for goods and services provided to the Company upto to the end of the financial year. The amounts are unsecured and are usually paid as per the terms of payment agreed with the vendors. The amounts are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially and subsequently measured at amortised cost.

Financial assets and Financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

11. Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use. All other borrowing costs are recognised in the Statement of Profit and Loss in the period in which they are incurred. The Company determines the amount of borrowing costs eligible for capitalisation as the actual borrowing costs incurred on that borrowing during the period less any interest income earned on temporary investment of specific borrowings pending their expenditure on qualifying assets, to the extent that an entity borrows funds specifically for the purpose of obtaining a qualifying asset. In case if the Company borrows generally and uses the funds for obtaining a qualifying asset, borrowing costs eligible for capitalisation are determined by applying a capitalisation rate to the expenditures on that asset. The Company suspends capitalisation of borrowing costs during extended periods in which it suspends active development of a qualifying asset.

12. Accounting for Taxes on Income

Tax expenses comprise of current tax and deferred tax including applicable surcharge and cess.

Current Income tax is computed using the tax effect accounting method, where taxes are accrued in the same period in which the related revenue and expenses arise. A provision is made for income tax annually, based on the tax liability computed, after considering tax allowances and exemptions. Provisions are recorded when it is estimated that a liability due to disallowances or other matters is probable.

Deferred tax is provided using the balance sheet approach on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date. Deferred tax liabilities are recognized for all taxable temporary differences. Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any un used tax losses. Deferred tax assets are recognized to the extent that it is probable that taxable profits against which the deductible temporary differences, and the carry forward un used tax credits and un used tax losses can be utilized.

Deferred Tax Assets and Deferred Tax Liabilities are offset, if a legally enforceable right exists to set off current tax assets against current tax liabilities and the Deferred Tax Assets and Deferred Tax Liabilities relate to taxes on income levied by same governing taxation laws.

Deferred tax is recognised in the statement of profit and loss, except to the extent that it relates to items recognised in other comprehensive income. As such, deferred tax is also recognised in other comprehensive income.

13. Investments

Non-Current investments are stated at cost. Provision for diminution in the value of Non-Current investments is made only if such a decline is other than temporary.

14. Research & Development Expense

Revenue expenditure pertaining to research is charged to the Profit and Loss Statement. Development costs of products are charged to the Profit and Loss Statement.

15. Impairment

Assessment is done at each Balance Sheet date as to whether there is any indication that an asset may be impaired. For the purpose of assessing impairment, the smallest identifiable group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows from other assets or groups of assets, is considered as a cash generating unit. If any such indication exists, an estimate of the recoverable amount of the asset/cash generating unit is made. Assets whose carrying value exceeds their recoverable amount are written down to the recoverable amount. Recoverable amount is higher of an asset's or cash generating unit's net selling price and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life. Assessment is also done at each Balance Sheet date as to whether there is any indication that an impairment loss recognised for an asset in prior accounting periods may no longer exist or may have decreased.

16. Government Grants

- i) Grants are accounted for where it is reasonably certain that the ultimate collection will be made.
- ii) Grants relating to Fixed Assets in the nature of Project Capital Subsidy are credited to that particular project.
- iii) Others are credited to Statement of Profit and Loss.

17. Use of Estimates

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

18. Provisions, Contingent Liabilities and Contingent Assets

Provision is recognized in the accounts when there is a present obligation as a result of past event(s) and it is probable that an outflow of resources will be required to settle the obligation and a reliable estimate can be made. Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

Contingent liabilities are disclosed unless the possibility of outflow of resources is remote, if any. Contingent assets are neither recognized nor disclosed in the financial statements.

**11 Fixed Assets as at 31st
March 2019**

				Gross Block				Accumulated Depreciation / Amortization				Net Block	Net Block
	Description	Useful life	Shift	Balance	Additions	Deletions	Balance	Balance	Provided	Deletions	Balance	Balance	Balance
	of	(In Years)	Operated	as at	during	during	as at	as at	during	during	as at	as at	as at
	Assets			01-Apr-18	the	the	31-Mar-	01-Apr-18	the	the	31-	31-Mar-19	31-Mar-18
				period	period	period	19		period	period	Mar-		
											19		
A	Tangible Assets												
(a)	Own Assets												
	Buildings												
	Factory at Santej	30.00	Single	62,12,006	6,79,963	-	68,91,969	16,39,198	2,01,294	-	18,40,492	50,51,477	45,72,808
	Bandhu Samaj	30.00	Single	78,29,750	4,534	-	78,34,284	14,91,803	2,64,238	-	17,56,041	60,78,243	63,37,947
	Supath 2 - Complex	30.00	Single	-	5,05,350	-	5,05,350	-	10,610	-	10,610	4,94,740	-
	Shed at Rakhial	30.00	Single	11,77,190	-	-	11,77,190	2,80,174	41,805	-	3,21,979	8,55,211	8,97,016
	Golden Estate D1 to D20	60.00	Single	1,03,17,241	-	-	1,03,17,241	3,74,422	1,57,428	-	5,31,850	97,85,391	99,42,819
	Shed at Jagannath Estate	30.00	Single	1,73,610	5,68,779	-	7,42,389	27,342	14,636	-	41,978	7,00,411	1,46,268

			2,57,09,797		-	2,74,68,423	38,12,939	6,90,011	-	45,02,950	2,29,65,473	2,18,96,858
				17,58,626								
Plant & Machinery												
Plant & Machinery	15.00	Single	1,51,58,836	-	-	1,51,58,836	64,07,292	10,36,993	-	74,44,285	77,14,551	87,51,544
Analytical Machine	15.00	Single	10,12,099	-	-	10,12,099	5,00,203	70,983	-	5,71,186	4,40,913	5,11,896
Crane	15.00	Single	-	10,50,000	-	10,50,000	-	6,195	-	6,195	10,43,805	-
Plant & Machinery - Lunej	15.00	Single	2,81,81,921	-	-	2,81,81,921	67,88,793	18,16,730	-	86,05,523	1,95,76,398	2,13,93,128
			4,43,52,856	10,50,000	-	4,54,02,856	1,36,96,288	29,30,901	-	1,66,27,189	2,87,75,667	3,06,56,568
Furniture & Fittings												
Furniture & Fixtures	10.00	Single	15,604	-	-	15,604	12,325	-	-	12,325	3,279	3,279
			15,604	-	-	15,604	12,325	-	-	12,325	3,279	3,279
Office Equipment												
Air Conditioner	5.00	Single	81,600	3,83,960	-	4,65,560	69,570	46,400	-	1,15,970	3,49,590	12,030
CCTV	10.00	Single	32,981	27,200	-	60,181	191	876	-	1,067	59,114	32,790

R O Plant	10.00	Single	-	78,000	-	78,000	-	10,101	-	10,101	67,899	-
Water Cooler	10.00	Single	-	22,200	-	22,200	-	2,103	-	2,103	20,097	-
Refrigerator	10.00	Single	-	1,19,600	-	1,19,600	-	16,156	-	16,156	1,03,444	-
Water Dispenser	5.00	Single	14,700	-	14,700	13,965	-	-	-	13,965	735	735
Mobile Phones	5.00	Single	1,01,402	67,409	-	1,68,811	76,290	11,546	-	87,836	80,975	25,112
			2,30,683	6,98,369	-	9,29,052	1,60,016	87,182	-	2,47,198	6,81,854	70,667
Motor Vehicles												
Motor Car	8.00	Single	46,21,926	-	-	46,21,926	22,22,306	4,99,670	-	27,21,976	18,99,950	23,99,620
Other Vehicles	10.00	Single	1,28,698	-	-	1,28,698	92,265	10,917	-	1,03,182	25,516	36,433
			47,50,624	-	-	47,50,624	23,14,571	5,10,587	-	28,25,158	19,25,466	24,36,053
Computers and Data Processing Units												
Computers and Printer	3.00	Single	4,70,191	-	-	4,70,191	4,47,465	-	-	4,47,465	22,726	22,726

			4,70,191	-	-	4,70,191	4,47,465	-	-	4,47,465	22,726	22,726
												-
Land	-	-	55,55,555	7,24,985	-	62,80,540	-	-	-	-	62,80,540	55,55,555
Total (A)	-	-	8,10,85,310	42,31,980	-	8,53,17,290	2,04,43,604	42,18,681	-	2,46,62,285	6,06,55,005	6,06,41,706
B Capital Work In Progress												
Buildings												
Bandhu Samaj (WIP)	-	-	98,08,480	34,95,824	-	1,33,04,304	-	-	-	-	1,33,04,304	98,08,480
Golden Estate D11 to D20	-	-	1,03,17,241	-	-	1,03,17,241	-	-	-	-	1,03,17,241	1,03,17,241
Elite Flats	-	-	-	-	-	-	-	-	-	-	-	-
Golden Estate H15 to H16	-	-	23,30,600	-	-	23,30,600	-	-	-	-	23,30,600	23,30,600
Golden Estate H3 to H4	-	-	23,30,600	-	-	23,30,600	-	-	-	-	23,30,600	23,30,600
Sindh Bank	-	-	1,25,82,121	-	33,00,000	92,82,121	-	-	-	-	92,82,121	1,25,82,121
Factory Shed (WIP)	-	-	28,52,306	-	-	28,52,306	-	-	-	-	28,52,306	28,52,306

Plant & Machinery				####									
Plant & Machinery - WIP	-	-	-	####	-	4,61,59,806	-	-	-	-	4,61,59,806	-	-
Total (B)	-	-	4,02,21,348	####	33,00,000	8,65,76,978	-	-	-	-	8,65,76,978	4,02,21,348	
Grand Total (A+B)	-	-	12,13,06,658	####	33,00,000	17,18,94,268	2,04,43,604	42,18,681	-	2,46,62,285	14,72,31,983	10,08,63,054	

Sub Note:

- 1) Company had started its plant at Lunej, Khambhat in July, 2014 in a premise which was taken on rent. Initially, the promoters of the company were intending to purchase the whole plant including land & building but there was problem in the clearance of title deed. Therefore, the company entered into a rent agreement with the seller for using the said premise for a period of 11 months and to acquire the plant later on when the title is cleared in the name of the seller. The company invested approximately Rs. 3.00 Crores in plant & machineries for commencing its business activities. As the seller could not clear property title in his name even after completion of a year and it was apparent that seller was delaying the sale process unnecessarily, Company decided to leave the project and shut down plant. Company carried out its last transaction in June 2015 and since then Company has neither done any manufacturing nor carried out any sale transaction in business. During period from July 2014 to June 2015, company made total turnover of Rs. 83.29 Lacs (approx) and Company realized the amount of Rs. 74 Lacs (approximately). At present plant is in the possession of Land Owner and Company is planning to sold out its all assets related with plant as it is not viable for the company to do the business. In June 2015 plant possession was taken by the land owner and stocks of Rs. 9.00 Lacs (approximately) were lying in the factory. At present plant is not working but company is regularly filing its Excise Return.

3 Capital work in progress:

Particulars	As At 31-03- 2020 Amount In `	As At 31-03- 2019 Amount In `	As At 01-04- 2018 Amount In `
Capital work in progress Tangible Assets			
Buildings	4,65,23, 032	4,61,59, 806	-
	5,01,33, 161	4,04,17, 172	4,02,21, 348
TOTAL ` :	9,66,56, 193	8,65,76, 978	4,02,21, 348

4 Financial assets - Loans

Particulars	As At 31-03- 2020 Amount In `	As At 31-03- 2019 Amount In `	As At 01-04- 2018 Amount In `
Advances to Outsiders	5,27,381	27,69,65 8	27,69,65 8
TOTAL ` :	5,27,381	27,69,65 8	27,69,65 8

5 Financial assets - Others

Particulars	As At 31-03- 2020 Amount In `	As At 31-03- 2019 Amount In `	As At 01-04- 2018 Amount In `
Security Deposits	18,73,12 8	15,98,68 0	18,34,57 0
TOTAL ` :	18,73,12 8	15,98,68 0	18,34,57 0

6 Inventories:

Particulars	As At 31-03- 2020	As At 31-03- 2019	As At 01-04- 2018

	Amount In `	Amount In `	Amount In `
Raw Material	6,58,90, 750	4,95,66, 366	4,15,14, 415
Finished Goods	1,80,86, 087	1,15,20, 362	1,28,81, 579
Traded Goods	69,585	71,482	37,879
Work In Progress	19,39,07 0	8,12,111	14,35,55 4
TOTAL ` :	8,59,85, 492	6,19,70, 321	5,58,69, 427
7 Trade Receivables:			
Particulars	As At 31-03- 2020 Amount In `	As At 31-03- 2019 Amount In `	As At 01-04- 2018 Amount In `
Unsecured Considered Good	7,28,14, 169	15,17,04 ,831	20,96,40 ,780
Considered doubtful	-	-	-
	7,28,14, 169	15,17,04 ,831	20,96,40 ,780
Less: Allowance for doubtful debts	-	-	-
TOTAL ` :	7,28,14, 169	15,17,04 ,831	20,96,40 ,780
8 Cash & cash equivalents:			
Particulars	As At 31-03- 2020 Amount In `	As At 31-03- 2019 Amount In `	As At 01-04- 2018 Amount In `
Cash On Hand	95,292	1,31,548	3,81,768
Balance with Banks	3,09,370	1,67,879	1,82,662
TOTAL ` :	4,04,662	2,99,427	5,64,430

9 Bank balance other than (11) above:

Particulars	As At 31-03- 2020 Amount In `	As At 31-03- 2019 Amount In `	As At 01-04- 2018 Amount In `
Fixed Deposits with Banks	15,33,34 2	14,50,82 4	13,67,29 6
TOTAL ` :	15,33,34 2	14,50,82 4	13,67,29 6

10 Loans:

Particulars	As At 31-03- 2020 Amount In `	As At 31-03- 2019 Amount In `	As At 01-04- 2018 Amount In `
Advances to Outsiders Loan/Advance to Outsiders	4,82,77, 311	5,23,04, 722	3,12,08, 213
TOTAL ` :	4,82,77, 311	5,23,04, 722	3,12,08, 213

11 Current tax assets:

Particulars	As At 31-03- 2020 Amount In `	As At 31-03- 2019 Amount In `	As At 01-04- 2018 Amount In `
Receivable from Government Advance Tax Inclu. TDS and TCS	9,68,911	-	1,48,138
Income Tax Refund Receivables	-	2,35,897	9,98,426
TOTAL ` :	9,68,911	2,35,897	11,46,56 4

12 Other current assets:

Particulars	As At 31-03- 2020	As At 31-03- 2019	As At 01-04- 2018

	Amount In `	Amount In `	Amount In `
Advances to Others			
Advances to Suppliers (Refer Sub Note:1)	2,73,88,493	2,90,44,588	3,21,57,581
GST Receivable			
	54,69,220	77,61,069	68,67,985
Receivable From Government			
Deposit with Government (Sub Note: 2)	2,74,133	98,328	1,06,031
Other Receivables			
	38,13,000	38,13,000	30,33,000
Prepaid Expenses (Sub Note : 3)			
	3,33,275	50,484	-
	1,62,794	78,516	59,692
TOTAL ` :	3,74,40,915	4,08,45,985	4,22,24,289

Sub Note: 1

Advance to supplier is taken as certified by the management. No security have been given against the same.

Sub Note : 2

Deposit with government includes advances made under VAT Appeal made under Gujarat VAT Act.

Sub Note: 3

Prepaid expenses includes Prepaid Insurance, Memebership, Interenet etc.

13 Equity share capital:

Particulars	As At 31-03- 2020 Amount In `	As At 31-03- 2019 Amount In `	As At 31-03- 2019 Amount In `
Authorized :			
Equity shares 20,000,000 of Rs.10 Each	20,00,00,000	20,00,00,000	20,00,00,000
Issued, Subscribed and Paid up :			
Equity shares 10,738,100 of Rs.10 Each	10,73,81,000	10,73,81,000	10,73,81,000
TOTAL ` :	10,73,81,000	10,73,81,000	10,73,81,000

13 The Details of Shareholder holding more than 5%
.1 Shares

Name Of Shareholder	As At 31-03-2020		As At 31-03-2019		As At 31-03-2019	
	No. Of Shares	% Held	No. Of Shares	% Held	No. Of Shares	% Held
Asamalji S. Mehta	14,66,950	13.66	14,66,950	13.66	14,66,950	13.66
Ashok Devji Parmar	6,60,000	6.15	6,60,000	6.15	6,60,000	6.15
Jayesh A. Mehta	17,51,500	16.31	17,51,500	16.31	17,51,500	16.31
Satish A. Mehta	15,78,550	14.70	15,78,550	14.70	15,78,550	14.70
Ugamdevi A. Mehta	10,40,600	9.69	10,40,600	9.69	10,40,600	9.69
	64,97,600	60.51	64,97,600	60.51	64,97,600	60.51

13 The Reconciliation of No. of shares outstanding
.2 is set out below:

Name Of Shareholder	As At 31-03-2020		As At 31-03-2019		As At 31-03-2019	
	No.	Amount In `	No.	Amount In `	No.	Amount In `
Equity Shares at the beginning of the year	1,07,38,100	10,73,81,000	1,07,38,100	10,73,81,000	1,07,38,100	10,73,81,000
Equity Shares at the end of the year	1,07,38,100	10,73,81,000	1,07,38,100	10,73,81,000	1,07,38,100	10,73,81,000

14 Other equity:

Particulars	As At	As At	As At
	31-03-2020	31-03-2019	01-04-2018
	Amount In `	Amount In `	Amount In `
Profit & Loss A/c			

Opening Balance			4407358
	6,56,72,849	4,87,88,869	7
Add: Profit for the year			4715282
	22,79,759	1,68,83,980	
Closing Balance	6,79,52,608	6,56,72,849	4,87,88,869
 Other Comprehensive Income			
Opening Balance	-	-	-
Add: Profit for the year	-	-	-
Closing Balance	-	-	-
 Capital Reserve			
Opening Balance	29,79,010	29,79,010	29,79,010
Add: Addition/(deletion)	-	-	-
Closing Balance	29,79,010	29,79,010	29,79,010
 Share Premium Account			
Opening Balance	7,78,03,216	7,78,03,216	7,78,03,216
Add: Addition/(deletion)	-	-	-
Closing Balance	7,78,03,216	7,78,03,216	7,78,03,216
	TOTAL `:		
	14,87,34,834	14,64,55,075	12,95,71,095
 15 Borrowings:			
Particulars	As At 31-03-2020	As At 31-03-2019	As At 01-04-2018
	Amount In `	Amount In `	Amount In `
Unsecured Borrowing:			

Loans and Advances from Related Party	-	52,408	-
Loans From Inter Corporate	11,31,570	1,04,23,570	1,21,92,940
Other Loans and Advance	-	-	2,56,871
TOTAL ` :	11,31,570	1,04,75,978	1,24,49,811

16 Deferred Tax Liabilities

Particulars	As At 31-03- 2020 Amount In `	As At 31-03- 2019 Amount In `	As At 01-04- 2018 Amount In `
Deferred Tax Liabilities			
DTL on Difference between written down value of property, plant and equipment and capital work-in-progress as per books of accounts and income tax	53,84,682	59,75,082	60,33,937
DTL on Other assets	67,600	72,332	80,340
TOTAL ` :	54,52,282	60,47,414	61,14,277

17 Financial liabilities - Borrowings:

Particulars	As At 31-03- 2020 Amount In `	As At 31-03- 2019 Amount In `	As At 01-04- 2018 Amount In `
Loans Repayable on Demand - From Banks			
Working Capital Loans - Secured (Sub Note -1)	9,94,39,294	9,59,59,042	9,69,36,927
TOTAL ` :	9,94,39,294	9,59,59,042	9,69,36,927

Sub Note : 1

i) AXIS Bank C.C. outstanding as on March,31 2020 is secured against Hypothecation of all current assets of the company (present and future), Plant & Machinery, Furniture and Fixtures, office equipment and other class of movable assets except vehicles financed by other banks.

ii) Collateral Security by Equitable mortgage of Factory Land & Building situated at block no. 2070, Village -Santej, Taluka Kalol, District-Gandhinagar

iii) Interest rate on C.C. is 10.00% and directors have given their personal guarantee for the same.

18 Financial liabilities - Trade Payables:

Particulars	As At 31-03- 2020 Amount In `	As At 31-03- 2019 Amount In `	As At 01-04- 2018 Amount In `
Creditors for Goods	1,72,26, 619	5,60,22, 374	9,14,26, 655
TOTAL ` :	1,72,26, 619	5,60,22, 374	9,14,26, 655

Sub Note: 1

Trade Payable as on March 31, 2020 is taken as certified by management. No security have been given for the same.

Sub Note: 2

The company has sent letters asking the MSME status of the suppliers, based on the confirmation received from the suppliers, the company have classified them accordingly, remaining suppliers are kept out of MSME.

19 Other financial Liabilities:

Particulars	As At 31-03- 2020 Amount In `	As At 31-03- 2019 Amount In `	As At 01-04- 2018 Amount In `
Other Payables (Refer Sub Note: 1)	2,21,16, 981	3,47,42, 702	22,22,54 9
Current Maturities of Long Term Debts (Refer Sub Note: 2)	-	2,56,871	7,96,539
	-	2,56,871	7,96,539

TOTAL ` :

2,21,16,	3,49,99,	30,19,08
981	573	8

Sub Note : 1

Other Payables Include Creditors for Expenses and Capital Goods and Advances From Customers

Sub Note : 2

(i) Vehicle Loan taken from HDFC Bank Limited amounting to Rs. 2,100,000/- repayable in 60 installments of Rs. 44,750/-.

(ii) Vehicle Loan taken from HDFC Bank Limited amounting to Rs. 1,300,000/- repayable in 60 installments of Rs. 27,720/-.

20 Current liabilities - Provisions:

Particulars	As At 31-03- 2020 Amount In `	As At 31-03- 2019 Amount In `	As At 01-04- 2018 Amount In `
Payable to Government inclu. Provision for Income Tax	10,36,355	27,79,990	-
Deposits	96,000	30,000	-
Payable to Diectors	-	-	1,200
Payable to Others	3,67,499	2,61,882	5,88,228
TOTAL ` :	14,99,854	30,71,872	5,89,428

21 Revenue From Operations:

Particulars	For the year 2019-20 Amount In `	For the year 2018-19 Amount In `
Revenue from Sale of Products	40,68,23,469	60,12,61,578
Revenue from Chanasma Sales	12,50,000	-
Revenue from Job Work	5,62,245	3,18,256

Packing and Forwarding

12,47,53 9,46,195
0

40,98,83 60,25,26
,244 ,029

Less: GST on Sales

7,18,56, 9,16,39,
845 017

TOTAL ` :

33,80,26 51,08,87
,399 ,012

22 Other Income:

Particulars

For the For the
year year
2019-20 2018-19

Amount Amount
In ` In `

Interest Income

61,41,73 54,61,14
3 9

IPO Subsidy Income

-

Gain/Loss on Foreign
Exchange

-

Rent Income

5,38,750 12,23,25
4

TOTAL ` :

66,80,48 66,84,40
3 3

23 Cost of Materials
Consumed:

Particulars

For the For the
year year
2019-20 2018-19

Amount Amount
In ` In `

Opening Stock

4,95,66, 4,15,14,
366 415

Add: Purcha
ses

31,58,81 42,25,33
,660 ,465

36,54,48 46,40,47
,026 ,880

Less :	Closing Stock	6,58,90,750	4,95,66,366
	TOTAL ` :	29,95,57,276	41,44,81,514
24	Purchase of stock in trade:		
	Particulars	For the year 2019-20 Amount In `	For the year 2018-19 Amount In `
	Purchases of goods	19,53,12,2	3,20,16,866
	Labour Purchase	8,37,824	26,45,471
	TOTAL ` :	27,90,94,6	3,46,62,337
25	Changes in Inventories:		
	Particulars	For the year 2019-20 Amount In `	For the year 2018-19 Amount In `
	At the end of the year:		
	Finished Goods	1,80,86,087	1,15,20,362
	Work-In-Progress	19,39,07,0	8,12,111
	Traded Goods	69,585	71,482
	At the beginning of the year:		
	Finished Goods	2,00,94,742	1,24,03,955
	Work-In-Progress	1,15,20,362	1,28,81,579
	At the beginning of the year:		
	Finished Goods	1,15,20,362	1,28,81,579
	Work-In-Progress	8,12,111	14,35,554

Traded Goods		71,482	37,879
		1,24,03,955	1,43,55,012
(Increase)/Decrease in Inventories			
Finished Goods		(65,65,725)	13,61,217
Work-In-Progress		(11,26,959)	6,23,443
Traded Goods		1,897	(33,603)
		(76,90,787)	19,51,057
26 Employee Benefit Expense:			
Particulars		For the year 2019-20	For the year 2018-19
		Amount In `	Amount In `
Bonus Expenses		4,25,410	3,35,224
Director's Remuneration		18,00,000	18,00,000
Contribution to Provident Fund and other Funds		91,633	83,348
Salary & Wages Expenses		88,76,514	55,61,078
Staff Welfare Expenses		47,319	51,298
	TOTAL ` :	1,12,40,876	78,30,948
27 Finance Cost:			
Particulars		For the year 2019-20	For the year 2018-19
		Amount In `	Amount In `
Interest on Short-Term Loans from Banks		89,47,317	89,11,485

Interest on Others	3,90,646	8,90,753
Interest on Long-Term Loans from Banks	5,287	73,101
Other Borrowing Costs	2,83,692	2,05,209
TOTAL ` :	96,26,942	1,00,80,548

Sub Note: 1 Interest Expenses are net of interest capitalized in Fixed Assets.

28 Other Expenses:

Particulars	For the year 2019-20 Amount In `	For the year 2018-19 Amount In `
A) Manufacturing Expenses		
Stores , Spares & Packing Material Consumed	36,24,195	28,84,287
Power , Fuel & Utilities Expenses	1,20,47,965	1,30,01,686
Labour Charges	45,061	1,28,915
Repairs & Maintanance Expenses	6,27,809	7,00,553
Other Manufacturing Expenses	17,602	-
	1,63,62,632	1,67,15,441
B) Administrative , Selling & Other Expenses		
Postage , Telephone & Computer Expenses	40,897	26,969
Penalty Expenses	73,081	-
Custom Duty	-	-
Stationery & Printing Expenses	1,000	28,346
Travelling, Conveyance & Vehicle Expenses	210	1,307
Legal & Professional Fees	9,33,925	18,30,848

Insurance Expenses	94,307	86,116
Bad Debts Expenses	-	28,246
Indirect Duty Expenses	9,25,230	-
Office Expenses	3,47,731	3,72,503
Selling & Distribution Expenses	47,625	36,961
Freight Expenses	8,39,566	6,68,027
Other Expenses	34,552	2,73,703
Listing Expenses	2,500	2,54,904
Factory Expenses	7,42,172	6,35,765
Loss on Foreign Exchange Transaction	34,936	-
Loss on Sale of Fixed Assets	-	-
Loss of Goods by theft	-	-
Kasar Vatav	4,95,536	-
Membership Expenses	-	-
Municipal Tax Expenses	83,091	-
Depository Charges	-	-
Security Expenses	7,68,270	2,10,124
Sundry Balances Written Off	-	-
	54,64,629	44,53,819
TOTAL ` :	2,18,27,261	2,11,69,260

29	Earning Per Share :		
	Particulars	For the year 2019-20	For the year 2018-19
		Amount In `	Amount In `
	Basic Earning Per Share	0.21	1.57
	Diluted Earning Per Share	0.21	1.57
	Nominal Value Per Share	Rs. 10.00	Rs. 10.00

Earning Per share is calculated by dividing the Profit/(Loss) attributable to the Equity Shareholders by the weighted average number of Equity Shares outstanding during the year. The numbers used in calculating basic and diluted earning per Equity Share as stated below

Particulars	For the	For the
	year 2019-20	year 2018-19
	Amount In `	Amount In `
Profit / (Loss) after taxation	22,79,75 9	1,68,83, 980
Net Profit / (Loss) attributable to Equity Shareholders	22,79,75 9	1,68,83, 980
Weighted Average Number of shares outstanding during the year	1,07,38, 100	1,07,38, 100

30 First time adoption of Ind AS Transition to Ind AS

These are the Company's first financial statement prepared in accordance with Ind AS.

30.1 Exemptions and exceptions availed

The accounting policies set out in Note 1, have been applied in preparing the financial statements for the year ended March 31, 2020, the comparative information presented in these financial statements for the year ended March 31, 2019 and in the preparation of opening Ind AS balance sheet as at April 1, 2018. In preparing its opening balance sheet, the Company has adjusted the amounts reported previously in financial statements prepared in accordance with accounting standards notified under Companies (Accounting Standards) Rules, 2006 (as amended) and other relevant provisions of the Act (previous GAAP or Indian GAAP). An explanation of how the transition from from previous GAAP to Ind AS has affected the Company's financial position, financial performance and cash flows is set out in the following tables and notes.

Ind AS optional exemptions cost

Deemed cost:- Ind AS 101 permits a first-time adopter to elect to continue with the carrying value for all of its property, plant and equipment as recognised in the financial statements as at the date of transition to Ind AS, measured as for the previous GAAP and use that as its deemed cost as at date of transition after making necessary adjustments for decommissioning liabilities. The exemption can also be used for intangible assets covered by Ind -38 Intangible Assets. Accordingly, the Company has elected to measure all of its property, plant and equipment and intangible assets at their previous GAAP carrying values as at April 1, 2018.

30.2 Ind AS mandatory exceptions

Classification and measurement of financial assets: Ind AS 101 requires an entity to assess classification and measurement of financial assets (investment in debt instruments) on the basis of the facts and circumstances that exist at the date transition to Ind AS.

Impairment of financial assets: An entity shall determine the approximate credit risk at the date that financial instruments were initially recognized and compare that to the credit risk at the date of transition to Ind. This should be based on reasonable and supportable information that is available without undue cost or efforts. If any entity is unable to make this determination without undue cost or effort, it shall recognise a loss allowance at an amount equal to lifetime expected credit losses at each reporting date until that financial instrument is de-recognised. The Company has this exception to analyse credit risk of the financial assets as the date of transition instead of the date of initial recognition.

31 Financial and Derivative Instruments

Capital Management

1) The company's objective when managing capital is to:

- Safeguard its ability to continue as a going concern so that the Company is able to provide maximum return to stakeholders and benefits for other stakeholders.
- Maintain an optimal capital structure to reduce the cost of capital.

The company's Board of director's reviews the capital structure on regular basis. As part of this review the board considers the cost of capital risk associated with each class of capital requirements and maintenance of adequate liquidity.

Disclosures

This section gives an overview of the significance of financial instruments for the Company and provides additional information on balance sheet items that contain financial instruments.

The details of significant accounting policies, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognized in respect of each class of financial asset, financial liability and equity instrument are disclosed in Note provided hereunder :

Categories of Financial Instruments

Particulars	As at 31st March,2020	As at 31st March,2019	As At 1st April,201 8
Financial Assets			
Measured at Amortised Cost			
1) Trade Receivables	7,28,14,169	15,17,04,831	20,96,40 ,780
2) Cash & Cash Equivalentents	19,38,004	17,50,251	19,31,72 6
3) Loans	7,56,65,804	8,13,49,310	6,33,65, 794
4) Other Financial Assets	1,17,62,756	1,33,21,561	1,18,41, 586
5) Investments	-	-	-
Financial Liabilities			
Measured at Amortised Cost			
1) Borrowings	10,05,70,864	10,64,35,020	10,93,86 ,738
2) Trade Payables	1,72,26,619	5,60,22,374	9,14,26, 655
3) Other Financial Liabilities	2,21,16,981	3,49,99,573	30,19,08 8

2) Fair Value Measurement :

This note provides information about how the Company determines fair values of various financial assets.

Fair Value of financial assets and liabilities that are not measured at fair value (but fair value disclosures are required).

Management considers that the carrying amounts of financial assets and financial liabilities recognized in the financial statements approximate their fair values.

3) Financial Risk Management

Objectives

While ensuring liquidity is sufficient to meet Company's operational requirements, the Company's financial management committee also monitors and manages key financial risks relating to the operations of the Company by analyzing exposures by degree and magnitude of risks. These risks include market risk (including currency risk and price risk), credit risk and liquidity risk.

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 comprises two types of risk: interest rate, currency risk and other price risk, such as commodity price risk and equity price risk. Financial instruments affected by market risk include FVTPL investments, trade payables, trade receivables, etc.

Liquidity Risk

The Company manages liquidity risk by maintaining sufficient cash and cash equivalents including bank deposits and availability of funding through an adequate amount of committed credit facilities to meet the obligations when due.

Management monitors rolling forecasts of liquidity position and cash and cash equivalents on the basis of expected cash flows. In addition, liquidity management also involves projecting cash flows considering level of liquid assets necessary to meet obligations by matching the maturity profiles of financial assets & liabilities and monitoring balance sheet liquidity ratios.

The following tables detail the Company's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The information included in the tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay. The contractual maturity is based on the earliest date on which the Company may be required to pay.

Particulars	Due in 1 Year	1 year - 3 years	More than 3 Years	Total
As at 31st March 2020				
Borrowings	10,05,70 ,864			10,05,70 ,864
Trade Payables	1,72,26, 619			1,72,26, 619
Other Financial Liabilities	2,21,16, 981			2,21,16, 981
Total	13,99,14 ,464			13,99,14 ,464
As at 31st March 2019				
Borrowings	10,64,35 ,020			10,64,35 ,020
Trade Payables	5,60,22, 374			5,60,22, 374

Other Financial Liabilities	3,49,99, 573	3,49,99, 573
Total	19,74,56 ,967	19,74,56 ,967
As at 31st March 2019		
Borrowings	10,93,86 ,738	
Trade Payables	9,14,26, 655	
Other Financial Liabilities	30,19,08 8	
Total	20,38,32 ,481	

Trade Receivables

The Company has a detailed review mechanism of overdue customer receivables at various levels within organisation to ensure proper attention and focus for realisation

Particulars	Due in 1 Year	1 year - 3 years	More than 3 Years	Total
As at 31st March 2020				
1) Trade Receivables	7,28,14, 169	-	-	7,28,14, 169
2) Cash & Cash Equivalents	4,04,662	15,33,3 42	-	19,38,00 4
3) Loans	-	7,56,65, 804	-	7,56,65, 804
4) Other Financial Assets	1,17,62, 756	-	-	1,17,62, 756
5) Investments	-	-	-	-
Total	8,49,81, 587	7,71,99, 146	7,48,73,765	16,21,80 ,733

As at 31st March 2019

1) Trade Receivables	15,17,04	-	-	15,17,04
	,831			,831
2) Cash & Cash Equivalentents	2,99,427	14,50,8	-	17,50,25
		24		1
3) Loans	-	8,13,49,	-	8,13,49,
		310		310
4) Other Financial Assets	1,33,21,	-	-	1,33,21,
	561			561
5) Investments	-	-	-	-
Total	16,53,25	8,28,00,	-	24,81,25
	,819	134		,953

As at 31st March 2019

1) Trade Receivables	20,96,40	-	-	20,96,40
	,780			,780
2) Cash & Cash Equivalentents	5,64,430	13,67,2	-	19,31,72
		96		6
3) Loans		6,33,65,	-	6,33,65,
		794		794
4) Other Financial Assets	1,18,41,	-	-	1,18,41,
	586			586
5) Investments			-	-
Total	22,20,46	6,47,33,	-	28,67,79
	,796	090		,886

32 Related Party Disclosures:

32.1 Related Parties & their Relationship

As per IND AS 24, the disclosures of transactions with the related parties are given below:

i) List of Related parties where control exists and related parties with whom transactions have taken place and relationships:

Sr. No.	Name of Related Parties ^{##}	Relationship
(i)	Satish Asamal Mehta	Managing Director
(ii)	Jayesh Asamal Mehta	Whole Time Director
(iii)	Krishnakant Somani	CFO
(iv)	Barkha Deshmuk	CS
(v)	Nayan Pitroda	CS

32.2 Transactions with Related Parties

Particulars	Nature of Transaction	Amount (In Rs.)
Satish Asamal Mehta	Director Remuneration	9,00,000
Jayesh Asamal Mehta	Director Remuneration	9,00,000
Krishnakant Somani	Remuneration	9,00,000
Nayan Pitroda	Remuneration	2,88,200
Barkha Deshmuk	Remuneration	2,02,000

^{##}Only those related party names are mentioned with whom transactions have taken place during the year.

- 33 Certain Balance of Debtors, Creditors, Loans & Advances for Capital expenditures are non-moving / sticky . However in view of the management, the same is recoverable / payable. Hence no provision for the same is made in the books of accounts.
- 34 In the opinion of the Board of Directors, the current assets, loans and advances are approximately of the value stated, if realized in the ordinary course of business and the provisions for depreciation and all known and ascertained liabilities are adequate and not in excess of the amounts reasonably necessary.
- 35 The balance confirmation from the suppliers, customers as well as to various loans or advances given have been called for, but the same are awaited till the date of audit. Thus, the balances of receivables, trade payables as well as loans and advances have been taken as per the books of accounts submitted by the company and are subject to confirmation from the respective parties.
- 36 As informed to us, the Contingent Liability is NIL
- 37 Previous year's figures have been regrouped and rearranged wherever necessary.

38 Segment Reporting

The Company has a business segment other than Manufacturing of Copper Pipes, however it fails to fulfil the Segment Reporting criteria. So Segment Reporting is not done.

39 Tax Reconciliation

Income Tax Recognised in statement of Profit and Loss	For the year ended 31st March,2020	For the year ended 31st March,2019
Current tax		
In Respect of the Current year	10,09,590	63,42,765
Short/Excess Provision of Earlier years	-	17,188
Deferred Tax (Credit)/Charged	(3,46,821)	(66,863)
Total Income tax expense recognised in respect of continuing Operations	6,62,769	62,93,090

The income tax expense for the year can be reconciled to the accounting profit as follows:

Particulars	For the year ended 31st March,2020	For the year ended 31st March,2019
Profit Before Taxes	29,42,528	2,31,77,070
Enacted Tax Rate in India	26%	30%
Expected income tax benefit/(expense) at statutory tax rate	10,09,590	63,42,765
Effect of:		
Deferred tax(credit) /Charged	(3,46,821)	(66,863)
Income taxes recognised in the Statement of Profit and Loss	6,62,769	62,75,902

The Tax Rate used for the 2019-2020 reconciliation above is the corporate tax rate of 25% plus Cess @4% payable by corporate entities in india on taxable Profits under the indian tax laws.

Components of Deferred tax assets and Liabilities

Particulars	For the year ended 31st March,2020	For the year ended 31st March,2019
-------------	---------------------------------------	---------------------------------------

A) Deferred tax Liabilities		
Difference between book and tax depreciation	53,84,682	59,75,082
B) Deferred tax Liabilities		
Difference between book and tax depreciation		
DTL on Other assets	67,600	72,332

Notes referred to herein above form an integral part of the Financial Statements

For Piyush J. Shah & Co.
Chartered Accountants
FRN : 121172W

For Sagardeep Alloys Limited

Satish Ashmal Mehta **Krishnakant Somani**
Director **CFO**
DIN - 01958984

Piyush J. Shah
Partner
M. No. 108670

Jayesh Ashmal Mehta **Nayan Pitroda**
Director **Company Secretary**
DIN - 02156140

Place : Ahmedabad
Date : 27/06/2020

Place : Santej (Kalol)
Date : 27/06/2020

AOC-1

**Statement containing silent features of the Financial Statement of Subsidiary Company
(Pursuant to first proviso to sub-section (3) of Section 129 read with rule 5 of the Companies
(Accounts) Rules, 2014)**

Part A Subsidiaries

Sr.No	Particulars	
1.	Name of Subsidiary	Sagardeep Engineers Private Limited
2.	Reporting Period	01 st April, 2019 to 31 st March, 2020
3.	Reporting Currency	INR (₹)
4.	Country	India
5.	Capital	1,43,00,000/-
6.	Reserves	Rs. 3,60,10,187/-
7.	Total Assets	Rs. 5,24,03,687 /-
8.	Total Liabilities	Rs. 2093500/-
9.	Total Investment	Rs. 6475000/-
10.	Turnover/Total Income	Rs. 2,46,076 /-
11.	Profit Before Tax	Rs. (2,02,398)/-
12.	Provision for Taxation	Nil
13.	Profit after Taxation	Rs. (3,47,890)/-
14.	Proposed Divided	Nil
15.	% of Shareholding	100%

SAGARDEEP ALLOYS LIMITED
(CIN: L29253GJ2007PLC050007)
Reg. Office: Plot No. 2070 , Rajnagar Patiya , SantejKhatraj Road ,SantejKalol, Gandhinagar 382721
