



**SHREE PRECOATED STEELS LIMITED**

**14<sup>th</sup>**

**ANNUAL REPORT  
2021-22**



# SHREE PRECOATED STEELS LIMITED

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## CORPORATE INFORMATION

### **BOARD OF DIRECTORS**

**MR. AMBALAL C. PATEL**  
(DIN: 00037870)

CHAIRMAN NON-EXECUTIVE INDEPENDENT DIRECTOR

**MR. HARSH L. MEHTA**  
(DIN: 01738989)

MANAGING DIRECTOR

**MRS. AARTI M. RAMANI**  
(DIN: 06941013)

NON-EXECUTIVE WOMAN INDEPENDENT DIRECTOR

**MR. NILESH H. SARVAIYA**  
(DIN: 00799636)

NON-EXECUTIVE PROFESSIONAL DIRECTOR

### **CHIEF FINANCIAL OFFICER**

MR. SURESH N. PITALE

### **COMPANY SECRETARY & COMPLAINEE OFFICER**

MS. DIVYA HISARIA \*

MR. RAJ Y. SHAH \*\*

\*Appointed w.e.f. May 2, 2022

\*\*Resigned w.e.f. April 25, 2022

### **REGISTERED OFFICE**

1, Ground Floor, Citi Mall,  
New Link Road, Andheri (W),  
Mumbai: 400053  
Tel: +91-7208182677  
Email: [spsl.investors@gmail.com](mailto:spsl.investors@gmail.com)  
Website: [www.spsl.com](http://www.spsl.com)

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

Link Intime India Pvt. Ltd.  
C 101, 247 Park, L B S Marg, Mumbai: 400083  
Tel: 022 - 4918 6000, Fax: 022 - 4918 6060  
Email: [rnt.helpdesk@linkintime.co.in](mailto:rnt.helpdesk@linkintime.co.in)  
Website: [www.linkintime.co.in](http://www.linkintime.co.in)

### **CORPORATE INDENTITY NUMBER (CIN)**

L70109MH2007PLC174206

### **AUDITORS**

M/s. Manesh Mehta & Associates,  
Chartered Accountants  
611-701, Centre Point, R.C. Dutt Road,  
Alkapuri, Vadodara – 390007  
Firm Reg. No. 115832W

### **FOURTEENTH ANNUAL GENERAL MEETING**

Date : September 30, 2022

Day : Friday

Time : 4:00 PM.

Venue : Through VC/OAVM



## NOTICE

**NOTICE** is hereby given that the 14th Annual General Meeting of the Shareholders of Shree Precoated Steels Limited (“the Company”) will be held on Friday, September 30, 2022 at 4.00 p.m. (“IST”) through Video Conferencing / Other Audio Visual Means to transact the following business:

### ORDINARY BUSINESS:

1. To receive, consider, approve and adopt the audited Financial Statements of the Company for the Financial Year ended March 31, 2022, together with the reports of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Harsh L. Mehta (DIN:01738989), who retires by rotation and being eligible, offers himself for re-appointment.
3. To ratify the appointment of Auditor.

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

**“RESOLVED THAT** pursuant to Section 139, 142 and other applicable provisions of the Companies Act, 2013 and the Rules made thereunder, as amended from time to time, pursuant to the recommendations of the Audit Committee of the Board of Directors, and pursuant to the resolution passed by the Members at the 11th Annual General Meeting held on December 20, 2019, the appointment of M/s Manesh Mehta & Associates, Chartered Accounts (Firm Registration No. 115832W) as the Auditors of the Company, be and is hereby ratified to hold the office from conclusion of the 14th Annual General Meeting until the conclusion of the 15th Annual General Meeting of the Company and that the Board of Directors be and is hereby authorized to fix the remuneration payable to them for the Financial Year ending March 31, 2023, as may be determined by the Audit Committee in consultation with the auditors, and that such remuneration may be paid on a progressive billing basis as may be agreed upon between the auditors and the Audit Committee / Board of Directors.”

By Order of the Board of Directors  
For SHREE PRECOATED STEELS LIMITED

Sd/-  
**AMBALAL C. PATEL**  
**CHAIRMAN**  
**(DIN: 00037870)**

Place: Mumbai,  
Date: August 8, 2022

### Registered Office:

“Citi Mall”, 1, Ground Floor,  
New Link Road, Andheri (W), Mumbai – 400 053

### Notes:

1. The explanatory statement pursuant to Section 102(1) of the Companies Act, 2013 with respect to the special business as set out in the Notice is annexed hereto.
2. In view of the continuing Covid-19 pandemic, the Ministry of Corporate Affairs (“MCA”) has vide its General Circular No. 20/2020 dated May 5, 2020 read with Circular No. 14/ 2020 dated April 8, 2020 and Circular No. 17/ 2020 dated April 13, 2020, General Circular No. 02/2021 dated January 13, 2021 and General Circular No. 21/2021 dated December 14, 2021 and General Circular No. 3/2022 dated May 05, 2022 (collectively referred to as “MCA Circulars”) and other relevant circulars issued by MCA and Circular No. SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated January 15, 2021 and SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated May 13, 2022 and other relevant Circulars issued by the Securities and Exchange Board of India (“SEBI”) and in compliance with the provisions of the Companies Act, 2013 (“the Act”) and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”), the Company has decided to hold its 14th Annual General Meeting (“AGM”) through Video-Conference (“VC”) or Other Audio Visual Means (“OAVM”) without the physical presence of the Members.
3. **As AGM is being held through VC / OAVM, the facility for appointment of proxies by the Members will not be available for this AGM and hence the Proxy Form, Attendance Slip and Route map are not annexed to this Notice.**
4. Institutional / Corporate Shareholders (i.e. other than individuals / HUF, NRI, etc.) are required to send a scanned copy (PDF/ JPG Format) of its Board or governing body Resolution / Authorization etc., authorizing of its representative to attend the AGM through VC / OAVM on its behalf and to vote through remote e-voting. The said Resolution/Authorization shall be sent by email through its registered email address to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) and [hpsanghvioffice@gmail.com](mailto:hpsanghvioffice@gmail.com) with a copy marked to [spsl.investors@gmail.com](mailto:spsl.investors@gmail.com) by September 26, 2022.
5. Members of the Company holding Equity Shares in physical form and who have not registered their e-mail address and bank details can get the same registered with Link Intime India Pvt. Ltd., by clicking the link: [https://web.linkintime.co.in/EmailReg/Email\\_Register.html](https://web.linkintime.co.in/EmailReg/Email_Register.html) on their website [www.linkintime.co.in](http://www.linkintime.co.in) at the Investor Services



tab by choosing the E-mail/Bank Registration heading and follow the registration process as guided therein. The Members are requested to provide details such as Name, Folio Number, Certificate number, PAN, e-mail id along with the copy of the cheque leaf with the first named Shareholders name imprinted in the face of the cheque leaf containing bank name and branch, type of account, bank account number, MICR details and IFSC code in PDF or JPEG format. In case of any query, a Member may send an e-mail to Registrar and Transfer Agent (“RTA”) at [rnt.helpdesk@linkintime.co.in](mailto:rnt.helpdesk@linkintime.co.in).

It is clarified that for permanent registration of e-mail address, the Members are requested to register their e-mail address, in respect of demat holdings with the respective Depository Participants (“DPs”) by following the procedure prescribed by the Depository Participant.

#### Other information

6. SEBI has mandated that the transfer of securities held in physical form, except in case of transmission or transposition, shall not be processed by the listed entities/RTA with effect from April 1, 2019. Therefore, Members holding share(s) in physical form are requested to immediately dematerialize their shareholding in the Company. Necessary prior intimation in this regard was provided to the Shareholders.

In view of the above and in order to eliminate risks associated with physical transfer of securities, Members holding equity shares of the Company in physical form are requested to consider converting their holdings to dematerialized form.

7. a) Members are requested to notify immediately any change of address:-
  - i. to their DPs in respect of the shares held in electronic form, and
  - ii. to the Company or its RTA, in respect to the shares held in physical form together with a proof of address viz, Aadhar/Electricity Bill/ Telephone Bill/ Ration Card/Voter ID Card/ Passport etc.
- b) In case the registered mailing address is without the Postal Identification Number Code (“PIN CODE”), Members are requested to kindly inform their PIN CODE immediately to the Company/RTA/DPs.
8. Non-Resident Indian (“NRI”) Members are requested to inform the Company or its RTA or to the concerned DPs, as the case may be, immediately:-
  - a) the change in the residential status on return to India for permanent settlement, or

- b) the particulars of the NRE/NRO Account with a Bank in India, if not furnished earlier.

9. As per the provisions of Section 72 of the Act, facility for making nominations is now available to individuals holding shares in the Company, Members holding shares in physical form may obtain the Nomination Form No. SH-13 from the RTA of the Company. The prescribed forms, in this regard, is available on the website of the Company at [www.spsl.com](http://www.spsl.com) and on the website of the RTA at <https://linkintime.co.in/>. Further, Members holding shares in electronic form must approach their DPs for completing the nomination formalities.

Further, Member desirous to opt out /cancel the nomination and to record a fresh nomination, requested to submit Form ISR-3 (in case of shares are held in physical form).

Further, SEBI has mandated listed companies to issue securities in dematerialized form only, while processing service requests for issue of duplicate securities certificate; claim from unclaimed suspense account; renewal/exchange of securities certificate; endorsement; sub- division/splitting of securities certificate; consolidation of securities certificates/folios; and transmission and transposition. In this regards, Members are requested to make request in Form ISR-4. It may be noted that any service request can be processed only after the folio is KYC Compliant.

10. Members who are holding shares in identical order of names in more than one folio are requested to send to the RTA, the details of such folios together with the share certificates for consolidating their holdings into one folio. The share certificates will be returned to the Members after making requisite changes thereon.
11. In case of joint holders, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote at the AGM.
12. A Member who needs any clarification or has query on accounts or operations of the Company shall write to the Company Secretary from their registered e-mail addresses mentioning DP/ Client ID, PAN and mobile no. at [spsl.investors@gmail.com](mailto:spsl.investors@gmail.com) at least 3 days before the meeting i.e. by 5.00 p.m. (IST) of September 27, 2022. The same will be replied by the Company suitably, during the course of AGM or through separate e-mail as the case maybe.



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13. In compliance with the regulatory provisions, the Annual Report of the Company for FY 2021-22 along with the Notice of the 14th AGM has been sent electronically only to those Shareholders who have registered their e-mail address with their DPs/ RTA/ the Company, as applicable, up to the cut-off date i.e. Friday, August 26, 2022. The same is also hosted on the Company's website [www.spsl.com](http://www.spsl.com) and also on the website of the stock exchange viz., [www.bseindia.com](http://www.bseindia.com).
14. SEBI has mandated the submission of PAN by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their DPs with whom they are maintaining their demat account(s). Members holding shares in physical form can submit their PAN details to the Company or RTA.
15. Brief resume, details of shareholding and Directors'/KMP inter-se relationship with Director(s) seeking appointment/re-appointment /changes in terms as required under Regulation 36 of SEBI Listing Regulations and Secretarial Standard 2, are provided as Annexure to this Notice.
16. To support the "Green Initiative", the Shareholders are advised to register/update their e-mail address with the Company/RTA in respect of shares held in physical form and with the concerned DP in respect of shares held in electronic form in order to enable the Company to serve documents in electronic mode.
17. The voting rights of the Members shall be in proportion to their shareholding in the Company as on the cut-off date for e-voting i.e. Friday, September 23, 2022.  

Any person/entity, acquires shares of the Company and becomes a Member after sending notice of this AGM and holding shares of the Company as on cut-off date for e-voting i.e. Friday, September 23, 2022, can refer to this notice and remote e-voting instructions, hosted on the Company's website at [www.spsl.com](http://www.spsl.com).
18. Soft copies of the Register of Directors and Key Managerial Personal and their shareholding, maintained under Section 170 of the Act, and the Register of Contracts or Arrangements in which Directors are interested, maintained under Section 189 of the Act will be provided on request at least 5 days prior to the AGM date, through email at [spsl.investors@gmail.com](mailto:spsl.investors@gmail.com).

### Instructions for Voting by Electronic means i.e., Remote E-voting and E-voting during the AGM:

1. In compliance with Regulation 44 of the SEBI Listing Regulations and Section 108 of the Act, read with the Companies (Management and Administration) Rules, 2014, including any amendments therein, the Company is providing to its Members the facility to cast their votes electronically, through e-voting service provider viz., National Securities and Depositories Limited ("NSDL"), on all the businesses/ resolutions set forth in this Notice. Members are requested to take note of the key points related to e-voting for this AGM mentioned below:  
**The remote e-voting period will commence at 9.00 a.m. (IST) on Tuesday, September 27, 2022 and end at 5.00 p.m. (IST) on Thursday, September 29, 2022.**
2. During the aforesaid period, Members holding shares either in dematerialised form or in physical form, as on the cut-off date for e-voting i.e. Friday, September 23, 2022, may cast their votes electronically through remote e-voting facility. The remote e-voting module shall be disabled by NSDL for voting immediately after 5.00 pm (IST) on Thursday, September 29, 2022. Members, who have not cast their votes during aforementioned dates, may cast their votes through e-voting platform made available during the AGM.
3. Once the Member has cast his/her vote on resolutions set forth in the AGM notice through remote e-voting, he/she shall not be allowed to change it subsequently or cast the vote again.
4. All the Members including Institutional Investors are requested to attend the AGM and cast their votes electronically i.e. by using e-voting platform made available by the Company.
5. Members who do not have the User ID/ Password for e-voting or have forgotten the User ID/ Password may retrieve the same by following the steps given under remote e-voting instructions annexed to this Notice.
6. The Company has appointed Mr. Haresh Sanghvi (COP No.: 3675/ Membership No.: FCS 2259), Practicing Company Secretary, as 'Scrutinizer', to scrutinize the remote e-voting process including e-voting held at the AGM in a fair and transparent manner. The Scrutinizer shall within 2 working days from the conclusion of the AGM, make a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, and hand it over to the Chairman or a person authorised by him. The Chairman or a person authorized by him shall declare the voting results within permissible time.



7. The e-voting results along with the Scrutiniser's Report shall be hosted on the Company's website [www.spsl.com](http://www.spsl.com) immediately after declaration and submission of the same to the Stock Exchange. Instructions for Shareholders voting electronically are as under:

**INSTRUCTIONS 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 through the NSDL e-Voting system. Members may access by following the steps mentioned above for **Access to NSDL e-Voting system**. After successful login, you can see link of "VC/OAVM link" placed under "**Join General meeting**" menu against company name. You are requested to click on VC/OAVM link placed under Join General Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the Members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the Remote e-Voting instructions mentioned in the Notice to avoid last minute rush.
2. Facility for attending the AGM through electronic means (VC/OAVM) shall be made available 30 minutes before the scheduled time of the commencement of the meeting. The facility of participation at the AGM through VC/OAVM will

be made available for 1000 Members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairperson 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.

3. 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.
4. Members who have cast their votes through remote e-voting module prior to the AGM may attend/participate in the AGM to be held electronically, but shall not be entitled to cast their votes again.
5. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
6. 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.

**Instructions for Shareholders voting electronically are as under:**

**Step 1: Access to NSDL e-Voting system**




**A) Login method for e-Voting for Individual Shareholders holding securities in demat mode:**

In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual Shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

**Login method for Individual Shareholders holding securities in demat mode is given below:**

Type of Shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL	<ol style="list-style-type: none"> <li>1. Existing IDeAS user can visit the e-Services website of NSDL Viz. <a href="https://eservices.nsd.com">https://eservices.nsd.com</a> either on a Personal Computer or on a mobile. On the e-Services home page click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period.</li> <li>2. If you are not registered for IDeASe- Services, option to register is available at <a href="https://eservices.nsd.com">https://eservices.nsd.com</a>. Select "Register Online for IDeAS Portal" or click at <a href="https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp</a></li> </ol>



<p>Individual Shareholders holding securities in demat mode with NSDL.</p>	<ol style="list-style-type: none"> <li>3. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsdl.com">https://www.evoting.nsdl.com</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site where in you can see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period.</li> <li>4. Shareholders/Members can also download NSDL Mobile App “NSDL Speede” facility by scanning the QR code mentioned below for seamless voting experience.</li> </ol> <div style="text-align: center;"> <p><b>NSDL Mobile App is available on</b></p>    </div>
<p>Individual Shareholders holding securities in demat mode with CDSL</p>	<ol style="list-style-type: none"> <li>1. Existing users who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on New System Myeasi.</li> <li>2. After successful login of Easi/Easiest the user will be also able to see the E-Voting Menu. The Menu will have links of e-Voting service provider i.e. NSDL. Click on NSDL to cast your vote.</li> <li>3. If the user is not registered for Easi/ Easiest, option to register is available at <a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistration">https://web.cdslindia.com/myeasi/Registration/EasiRegistration</a></li> <li>4. Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e. NSDL where the e-Voting is in progress.</li> </ol>
<p>Individual Shareholders (holding securities in demat mode) login through their depository participants</p>	<p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. Upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, where in you can see e-Voting feature Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period.</p>

**Important note:** Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at above mentioned website.





**Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.**

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at toll free no.: <b>1800 1020 990</b> and <b>1800 22 44 30</b>
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk. <a href="mailto:evoting@cdslindia.com">evoting@cdslindia.com</a> or contact at <b>022- 23058738</b> or <b>022-23058542-43</b>

**B) Login Method for Shareholders other than Individual Shareholders holding securities in demat mode and Shareholders holding securities in physical mode.**

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

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

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

4. Your User ID details are given below:

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****.
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Password details for Shareholders other than Individual Shareholders are given below:
  - a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
  - b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the ‘initial password’ which was communicated to you. Once you retrieve your ‘initial password’, you need to enter the ‘initial password’ and the system will force you to change your password.
  - c) How to retrieve your ‘initial password’?
    - (i) If your email ID is registered in your demat account or with the company, your ‘initial password’ is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your ‘User ID’ and your ‘initial password’.



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- (ii) If your email ID is not registered, please follow steps mentioned below in **process for those Shareholders whose email ids are not registered.**
6. If you are unable to retrieve or have not received the “ Initial password” or have forgotten your password:
    - a) Click on “**Forgot User Details/Password?**” (If you are holding shares in your demat account with NSDL or CDSL) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
    - b) “**Physical User Reset Password?**” (If you are holding shares in physical mode) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com)
    - c) If you are still unable to get the password by aforesaid two options, you can send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
    - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
  7. After entering your password, tick on Agree to “Terms and Conditions” by selecting on the check box.
  8. Now, you will have to click on “Login” button.  
After you click on the “Login” button, Home page of e-Voting will open.

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

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

1. After successful login at Step 1, you will be able to see all the companies “EVEN” in which you are holding shares and whose voting cycle is in active status.
2. Select “EVEN” of company for which you wish to cast your vote during the remote e-Voting period.
3. Now you are ready for e-Voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on “Submit” and also “Confirm” when prompted.
5. Upon confirmation, the message “Vote cast successfully” will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

#### **General Guidelines for Shareholders**

1. Institutional Shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to [hpsanghvioffice@gmail.com](mailto:hpsanghvioffice@gmail.com) and [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the “**Forgot User Details/Password?**” or “**Physical User Reset Password?**” option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on toll free no.: 1800 1020 990 and 1800 22 44 30 or send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)



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

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAAR (self-attested scanned copy of Aadhar Card) by email to [mt.helpdesk@linkintime.co.in](mailto:mt.helpdesk@linkintime.co.in) and [investors@spsl.com](mailto:investors@spsl.com).
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to [mt.helpdesk@linkintime.co.in](mailto:mt.helpdesk@linkintime.co.in) and [investors@spsl.com](mailto:investors@spsl.com). If you are an Individual Shareholders holding securities in demat mode, you are requested to refer to the login method explained at **step 1 (A)** i.e. **Login method for e-Voting for Individual Shareholders holding securities in demat mode.**
3. Alternatively shareholder/Members may send a request to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) for procuring user id and password for e-voting by providing above mentioned documents.

## EXPLANATORY STATEMENT IN TERMS OF SECTION 102 OF THE COMPANIES ACT, 2013

### ANNEXURE TO ITEM NO. 2

**Information required under Regulation 36(3) of the SEBI Listing Regulations and as per Secretarial Standard 2 (SS-2) issued by Institute of Company Secretaries of India with respect to the Directors proposed to be appointed/ re-appointed:**

Name of the Director	Mr. Harsh L. Mehta
Director identification Number (DIN)	01738989
Date of Birth	October 21, 1981
Nationality	Indian
Date of first Appointment	May 24, 2016
Terms and Conditions for re-appointment	Re-appointment on account of retire by rotation, no change in terms of appointment.
Qualifications	B.Sc., M.Sc.
Expertise in specific Functional area	Over Fourteen(14) years of experience in the fields of Project Management, Finance & Legal.
Brief Resume	Mr. Harsh L. Mehta has a Master's degree in Polymer Chemistry from Institute of Science & Technology. He has an experience of over Fourteen years with vast knowledge and varied experience in the field of Real Estate, Project Management, Finance and Legal.
Number of shares held in the Company	NIL
Directorships held in other Public companies (excluding Foreign Companies and Section 8 Companies)	a. Listed Companies: NIL b. Public Companies: NIL
Listed entities from which the person has resigned in the past three years	NIL
Chairman/ Member in the Committees of the Boards of above said companies in which he is Director	NA
Relationship with other Directors, Manager and other Key Managerial Personnel of the Company inter-se	None
Number of Meetings of the Board attended during the year	Kindly refer Corporate Governance Report for this information.

**DIRECTORS' REPORT**

To,  
The Members,  
Shree Precoated Steels Limited  
Mumbai

Your Directors have pleasure in presenting the 14th Annual Report of your company along with the Audited Financial Statements for the Financial Year ended on March 31, 2022. Further, in compliance with the Companies Act, 2013 (hereinafter referred to as "the Act"), the company has made all requisite disclosures in the Board Report with the objective of accountability and transparency in its operations and to make you aware about its performance and future perspective.

**1. FINANCIAL HIGHLIGHTS**

(₹ in lakhs)

Key Financial Indicators	2021-2022	2020-2021
Revenue from Operations	-	-
Other Income	-	55.00
<b>Total Income</b>	<b>-</b>	<b>55.00</b>
Total Expenditure	49.55	47.59
<b>Profit/(Loss) before Tax</b>	<b>(49.55)</b>	<b>7.41</b>
Tax Expenses	-	-
<b>Profit/(Loss) after Tax</b>	<b>(49.55)</b>	<b>7.41</b>
Other Comprehensive Income/(Loss)	(0.10)	3.40
<b>Profit/(Loss) for the year after Comprehensive Income/(Loss)</b>	<b>(49.65)</b>	<b>10.81</b>
Opening balance in Statement of Reserves and Surplus	(407.91)	(418.72)
Amount available for appropriation	-	-
<b>Closing Balance in the Statement of Reserves &amp; Surplus</b>	<b>(457.56)</b>	<b>(407.91)</b>

**2. OPERATIONAL REVIEW**

During the Financial Year under review, your Company recorded a Net Loss of Rs. 49.55 Lakhs against a Net Profit of Rs. 7.41 Lakhs during the previous FY 2020-21. Since the Company has accumulated losses, no amount is available for appropriation.

**3. SHARE CAPITAL OF THE COMPANY**

During the Financial Year under review, the Company has not issued any shares with differential voting rights nor granted any stock options neither sweat equity.

The Paid up Equity Share Capital, as at March 31, 2022 was ₹ 4,13,99,020/- divided into 41,39,902 Equity shares, having face value of ₹ 10/- each fully paid up.

**4. DIVIDEND**

The Board of Directors of your company regret their inability to declare any Dividend for the current Financial Year due to loss incurred by the Company.

**5. DEPOSITORY SYSTEM**

Your Company's equity shares are available for dematerialisation through National Securities Depository Limited and Central Depository Services (India) Limited. As on March 31, 2022, 99.88% of the equity shares of the Company were held in dematerialised form.

**6. SUBSIDIARIES, ASSOCIATES & JOINT VENTURES**

As on March 31, 2022, the Company does not have any Subsidiary, Associate or Joint Venture Company.

**7. RESERVES**

Your Company has not transferred any amount to the Reserves during the Year.

**8. NATURE OF BUSINESS**

The Company is engaged in the activities of real estate and trading. During the year under review, there was no change in the nature of business of the Company.



## 9. DEPOSITS

Your Company had no opening balance of Deposits. Your Company has not accepted any Deposits during the Financial Year 2021-22 and as such, no principal or interest were outstanding as on March 31, 2022 as per the provisions of the Act, and the Rules framed there under. Further, Your Company has not received any amount from the Director of the Company as per Rule 2(1)(c)(viii) Companies (Acceptance of Deposits) Rules, 2014.

## 10. RELATED PARTY TRANSACTION

During the year under review the Company has not entered into any contracts/arrangements/transactions which would qualify as material in accordance with policy of the Company on materiality of related party transactions or as per the provision of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations").

The details of transactions with related parties in ordinary business routine as per Indian Accounting Standard (IND AS-24) is set out in Note No. 29 to the Financial Statements of the Company.

Your Company has formulated a policy for dealing with related party transactions which is also available on website of the Company at <http://www.spsl.com/downloads/policies/RPT%20policy.pdf>

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

No significant and material orders have been passed by any Regulator or Court or Tribunal which can have impact on the going concern status and the Company's operations in future.

## 12. LOANS AND INVESTMENTS

Under Section 186 of the Act, the Company has neither given any Guarantee nor provided any Security in Connection with a Loan, directly or indirectly, to any person or other body corporate. Company has also not made any investments.

Details of loans as on March 31, 2022 is set out in Note No. 5 of Financial Statements of the Company.

## 13. CORPORATE GOVERNANCE

Our corporate governance practices are a reflection of our value system encompassing our culture, policies and relationships with our stakeholders. Integrity and transparency are integral to our corporate governance practices to ensure that we gain and retain the trust of our stakeholders at all times. Corporate Governance is about maximizing shareholders' value legally, ethically and sustainably. Our Board exercises its fiduciary responsibilities in the widest sense of the term. We seek to enhance long-term shareholder value. Our Corporate Governance report for fiscal 2022 forms part of this Annual Report.

## 14. SECRETARIAL STANDARDS

Your Company has complied with Secretarial Standards on Meetings of the Board of Directors (SS-1) and General Meetings (SS-2) issued by the Institute of Company Secretaries of India ("ICSI").

## 15. DIRECTORS AND KEY MANAGERIAL PERSONNEL

Mr. Harsh L. Mehta, Managing Director, retires by rotation at the forthcoming Annual General Meeting and being eligible offers himself for re-appointment.

Mr. Raj Y. Shah, resigned from the post of Company Secretary and Compliance Officer with effect from April 25, 2022. In terms of Section 203 of the Act and applicable provisions of SEBI Listing Regulations, the Board of Directors has appointed Ms. Divya Hisaria as Company Secretary and Compliance Officer (Key Managerial Personnel) of the Company with effect from May 2, 2022.

Apart from the above changes, there was no change in the composition of Board of Directors & KMP of the Company.

Mr. Harsh L. Mehta, Managing Director, Mr. Raj Y. Shah, Company Secretary and Mr. Suresh N. Pitale, Chief Financial Officer, continued to function as Key Managerial Personnel of the Company during the year under review.

## 16. INDEPENDENT DIRECTOR'S DECLARATION

The Company has received the Certificate of Independence from all the Independent Directors pursuant to Section 149 of the Act and Regulation 16 of the SEBI Listing Regulations, confirming and certifying that they have complied with all the requirements of being an Independent Director of the Company.



The Independent Directors have also confirmed that they have complied with the Company's Code of Conduct. The Company has also received declarations under Regulation 25(8) of SEBI Listing Regulations from the Independent Directors confirming that there were no existence or anticipation of any circumstances during the year that could impair or impact their ability to discharge their duties with an objective of independent judgement and without any external influence.

## 17. FAMILIARIZATION PROGRAM FOR INDEPENDENT DIRECTOR

In compliance with the requirements of SEBI Listing Regulations, the Independent Directors have been familiarized on the Board of the Company by the functional heads of various departments of the Company which includes detailed presentations on the vision and mission of the Company, its operations, business plans, technologies and also future outlook of the entire industry. The details of familiarization programs are disclosed on the Company website from time to time at: <http://www.spsl.com/downloads/familiarisation-of-ID-of-SPSL.pdf>

## STATEMENT REGARDING OPINION OF THE BOARD WITH REGARD TO INTEGRITY, EXPERTISE AND EXPERIENCE (INCLUDING THE PROFICIENCY) OF THE INDEPENDENT DIRECTORS APPOINTED DURING THE YEAR

Since there are no Independent Directors appointed during the year, statement under Rule 8 (5) Companies (Accounts) Rules, 2014 is not required.

## 18. PECUNIARY RELATIONS

The Company does not pay any remuneration to its Non-Executive / Independent Directors except sitting fees and reimbursement of expenses for attending Meetings of the Board and of its Committees. No commission on the net profit of the Company is paid to any Director. There are no pecuniary relationships or transactions of the Non-Executive Directors vis-à-vis the Company.

## 19. NUMBER OF MEETINGS OF THE BOARD

The Board of Directors of the Company met Four (4) times during the Financial Year 2021-22. The details of various Board Meetings are provided in the Corporate Governance Report. The gap intervening between two meetings of the board is as prescribed in the Act, and SEBI Listing Regulations.

## 20. BOARD COMMITTEES

The Company has constituted the following Statutory Committees of the Board of Directors:

1. Audit Committee;
2. Nomination and Remuneration Committee;
3. Stakeholders' Relationship Committee; and
4. Committee of Independent Directors

The composition of each of the above Committees, their respective roles and responsibility is as detailed in the Report of Corporate Governance.

## 21. REMUNERATION OF DIRECTORS, KEY MANAGERIAL PERSONNEL AND PARTICULARS OF EMPLOYEES

The remuneration paid to Directors is in accordance with Nomination and Remuneration Policy formulated in accordance with Section 178 of the Act, and Regulation 19 of SEBI Listing Regulations.

The information required under section 197 of the Act, read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) in respect of Directors/employees of the Company is set out in the "Annexure I" to this report.

## 22. NOMINATION AND REMUNERATION POLICY

The Company has formulated and adopted Nomination and Remuneration Policy in accordance with the provisions of the Act, read with Rules issued there under and SEBI Regulations.

The said Policy of the Company, inter alia, provides that the Nomination and Remuneration Committee shall formulate the criteria for appointment of Executive, Non-Executive Director, and Independent Directors on the Board of Directors of the Company and persons in Senior Management of the Company, their remuneration including determination of qualifications, positive attributes, independence of Directors and other matters as provided under sub-section (3) of section 178 of the Act, (including any statutory modification(s) or re-enactment (s) thereof for time being in force).

The salient feature of the Policy is set out in the Corporate Governance Report which forms part of this Annual Report. The Policy is also available on the website of the Company at <http://www.spsl.com/downloads/policies/Nomination%20&%20Remuneration%20Policy.pdf>



### 23. BOARD EVALUATION

The Company has devised criteria for performance evaluation of Independent Directors, Board/Committees, and other individual Directors which includes criteria for performance evaluation of Non-Executive Director and Executive Director. Performance evaluation has been carried out as per the Nomination & Remuneration Policy.

At the meeting of the Board all the relevant factors that are material for evaluating the performance of individual Directors, the Board/Committees were discussed in detail. A structured questionnaire each for evaluation was prepared and recommended to the Board by Nomination & Remuneration Committee for doing the required evaluation after taking into consideration the input received from the Directors covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, execution and performance of specific duties, obligations and governance etc.

The performance evaluation of the Independent Directors was also carried by the entire Board. The performance evaluation of the Managing Director & Non-Executive Directors was carried out by the Independent Directors at its separate meeting held on March 24, 2022. The Directors expressed their satisfaction with the evaluation process.

### 24. DIRECTORS RESPONSIBILITY STATEMENT

Pursuant to the requirement of clause (c) of sub-section (3) of Section 134 of the Act, your Directors confirm that:

- a) in the preparation of the annual accounts for the year ended March 31, 2022, the applicable accounting standards read with requirements set out under Schedule III to the Act, have been followed along with proper explanations relating to material departures, wherever applicable.
- b) the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2022 and of the profit of the Company for the year ended on that date;
- c) the Directors have taken proper and sufficient care for the 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 fraud and other irregularities;

- d) the Directors have prepared the annual accounts on a 'going concern' basis;
- e) the Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively; and
- f) the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

### 25. AUDIT COMMITTEE:

The Audit Committee is in alignment with provisions of Section 177 of the Act, read with Rules issued there under and Regulation 18 of the SEBI Listing Regulations. The members of the Audit Committee are financially literate and have experience in financial management.

The Audit Committee comprises of Mrs. Aarti M. Ramani, as Chairperson, Mr. Ambalal C. Patel and Mr. Nilesh H. Sarvaiya as Members and Ms. Divya Hisaria acts as a Company Secretary to the Audit Committee.

All recommendation made by Audit Committee were accepted by the Board of Directors of the Company.

### 26. AUDITOR AND AUDITOR'S REPORT:

#### Statutory Auditor:

M/s Manesh Mehta & Associates, Chartered Accounts (Firm Registration No. 115832W) were appointed as Statutory Auditors of the Company at the 11<sup>th</sup> AGM till conclusion of 16<sup>th</sup> Annual General Meeting.

M/s. Manesh Mehta & Associates have confirmed their eligibility and qualification required under Section 139, 141 and other applicable provisions of the Act, and Rules issued there under (including any statutory modification(s) or re-enactment(s) thereof for the time being in force).

The Auditor's report for the Financial Year ended March 31, 2022, on Financial Statements of the Company forms a part of this Annual Report. The Auditor's Report for the Financial Year ended March 31, 2022 does not contain any qualification, reservation or adverse remark.

#### Secretarial Auditor:

Pursuant to the provisions of section 204 of the Act, the Board has appointed Mrs. Shreya Shah, Practising Company Secretary (Certificate of Practice No. 15859), to undertake Secretarial Audit of the Company. The Secretarial Audit



## SHREE PRECOATED STEELS LIMITED

Report along with the Secretarial Compliance Report for the Financial Year ended March 31, 2022 is set out as **Annexure II** to this Report. Secretarial Auditor has made remarks regarding the following:

Qualifications	Explanation by the Board
Gap of more than one hundred and twenty days elapsed between two Audit Committee meetings held on 8th February, 2021 and 18th June, 2021 respectively	<p>The Audit Committee could not meet anytime between 8th February, 2021 and 18th June, 2021 due to outbreak of 2nd wave of COVID 19 and subsequent lockdown.</p> <p>The operations for Q4FY21 were reviewed in the Audit Committee meeting held on 18th June, 2021</p>
Delay in submission of shareholding pattern for the quarter ended on 31st December, 2021	<p>The non-compliance was caused due to delayed receipt of Ben-pos from the depository (CDSL) since the Ben-pos was blocked by CDSL on account of outstanding dues. On being aware of the situation via the Company's RTA, the Company cleared the outstanding dues and requested CDSL to release the Ben-pos which was only released after the due date of the compliance had lapsed.</p> <p>In this regard, SOP review notice has been received from BSE Limited for the alleged non-compliance under the said regulation and the Company has made the payment of INR 21,240/- towards the fines levied. Further, the waiver request application along with the requisite representations has also been submitted to BSE Limited. However, no further correspondence was received from BSE in this regard</p>

Annual report was submitted to the stock exchange on 7th September, 2021, i.e. delay of one day from the date of commencement of dispatch to the shareholders i.e. 6th September, 2021	The intimation was delayed inadvertently by one day.
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### Internal Auditor

Pursuant to section 138(1) of Act, read with the Company (Accounts) Rules, 2014, Mr. Hitesh Panchal, a qualified Chartered Accountant is appointed as the Internal Auditor of the Company under whole-time employment. The Internal Auditor conducts the Internal Audit of the functions and operations of the Company and reports to the Audit Committee and Board quarterly. He has not expressed any qualifications during the Audit period 2021-2022.

### 27. REPORTING OF FRAUDS BY AUDITORS

During the year under review, no instances of fraud were reported by the Statutory Auditor of the Company under section 143(12) of the Act.

### 28. MANAGEMENT DISCUSSION & ANALYSIS

Management Discussion and Analysis Report for the year under review is appended below:

The objective of this report is to convey the Management's perspective on the external environment and steel industry, as well as strategy, operating and financial performance, material developments in human resources and industrial relations, risks and opportunities and internal control systems and their adequacy in the Company during the Financial Year 2021-22. This report should be read in conjunction with the Company's financial statements, the schedules and notes thereto and other information included elsewhere in the Integrated Report. The Company's financial statements have been prepared in accordance with Indian Accounting Standards ('Ind AS') complying with the requirements of the Companies Act, 2013, ('Act') and regulations issued by the Securities and Exchange Board of India ('SEBI'), each as amended from time to time.

### A. BUSINESS

The Company is presently engaged in the business of Steel and Real Estate and Other Allied Services. Arrangements are in hand to diversify its line of business for the future growth and prosperity.





## B. REVIEW OF OPERATIONS & FUTURE PROSPECTS

In view of the COVID-19 pandemic prevalent during the last year the operations of the Company were stable. The Board of your Company is exploring alternatives for improving its operations for long term growth.

## C. OPPORTUNITIES AND THREATS, RISKS AND CONCERNS

Your Company's objective is to effect improvement in its operations. However, the Company is exposed to threats and risks, as faced by other organizations in general and those engaged in similar business, like adverse changes in the general economic and market conditions, changes in Government policies and regulations etc.

## D. INTERNAL CONTROL SYSTEM

The Company has Internal control procedures commensurate with the nature of its business and size of its operations. The objectives of these procedures are to ensure efficient use and protection of Company's resources, accuracy in financial reports and due compliance of applicable statutes and Company's norms, policies and procedures.

## E. HUMAN RESOURCES

There was no loss of work or any human resource related problem during the year

### Internal Controls systems and their adequacy

The Company has proactive approach to manage and mitigate the risks. The Company commitment towards effective risk management is for the sustainable growth and creating value for stakeholders. The well drafted risk management framework, consistently enhances our ability to anticipate risks, take pre-emptive measures and respond with agility and confidence in managing them.

The Company believes that proactive risk management is a vital element for good corporate governance. Thus, helps in identifying the risk, exposure, potential impact, mitigation process, nonbusiness risk among others. These risks are timely reviewed by the board and mitigations strategies are suggested to reduce the impact. All this will help the Company to achieve favourable results.

The Company has all the main processes laid out to assure timely feedback on completion of operational and strategic goals, compliance with policies, procedures, laws and regulations, safeguarding of asset and efficient use of resource.

The Company's Internal Auditor reviews the effectiveness of internal control on a regular

basis to avoid fraud or any other issue arising in the daily operational activities. The Company has formally created a Risk Management Policy in tune with the new regulatory requirements. The policies help in identifying and assessing the key risk areas. Based on the detailed review the following key risk have been identified:

- Personnel Risk
- Regulatory risks
- Borrowing Risk
- IT and System Risk
- Liquidity risk
- Input Costs Risk
- Sales Market Risk
- Project Implementation Risk
- Legal Risk

## Financial and Operations Review

The financials has affecting changes in the following ratio:

Particulars	FY 2021-22	FY 2020-21	Change (25% or more as compared to FY 2020-21)	Detailed Explanations of Change, if any.
Current Ratio	0.26	0.32	-19%	-
Debt Ratio	NA	NA	-	-
Debtors turnover Ratio	NA	0.45	-	There is no turnover
Inventory Turnover Ratio	NA	NA	NA	-
Interest Coverage Ratio	NA	NA	NA	-
Operating Profit Margin	NA	NA	NA	-
Net Profit Margin	NA	91.65	NA	There is no Net Profit
Return on Net worth*	NIL	177.80	NA	-

\* Due to negative net-worth the Return on Net-worth cannot be calculated.

## Cautionary Statement

Statement in this Management Discussion and Analysis describing the Company's objectives, projections, estimates, expectations or predictions



may be “forward-looking statements” within the meaning of applicable laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the Company’s operations include raw material availability and prices, cyclical demand and pricing in the Company’s principal markets, changes in Government regulations, tax regimes, economic developments within India and the countries in which the Company conducts business and other incidental factors.

## 29. EXTRACT OF ANNUAL RETURN

Pursuant to amendments in Sections 92, 134(3) of the Act and Rule 12 of the Companies (Management and Administration) Rules, 2014, requirement of the extract of Annual Return in Form MGT-9 is dispensed with.

Copy of the annual return will be made available on the website of the Company - <http://www.spsl.com>

## 30. CORPORATE SOCIAL RESPONSIBILITY

The Company is not required to constitute a Corporate Social Responsibility Committees as it does not fall within purview of Section 135(1) of the Act and hence it is not required to formulate policy on Corporate Social Responsibility.

## 31. MATERIAL CHANGES AND COMMITMENTS AFFECTING FINANCIAL POSITION UNDER SECTION 134(3)(1) OF THE COMPANIES ACT, 2013

No material changes and commitments affecting the financial position of the Company occurred between the end of the Financial Year to which this Financial Statements relates and the date of this Report.

## 32. HUMAN RELATIONS AND INDUSTRIAL RELATIONS

Your Company firmly believes that employees are most valuable assets and Key players of business success and sustained growth. The Company continued to conduct various employee benefit, recreational and team building programs to enhance employee skills, motivation as also to foster team spirit.

## 33. INTERNAL FINANCIAL CONTROL SYSTEMS AND THEIR ADEQUACY

Internal Financial Controls are an integrated part of the risk management process, addressing financial and reporting risks. The internal financial

controls have been documented, digitized and embedded in the business processes.

Assurance on the effectiveness of the internal financial controls is obtained through management reviews, control self-assessment, continuous monitoring by functional expert as well as testing of the internal financial control system by the internal auditors during the course of their audit. We believe that these systems provide reasonable assurance that our internal financial controls are designed effectively and are operating as intended.

## 34. WHISTLE BLOWER POLICY/ VIGIL MECHANISM

Your Company’s Whistleblower Policy encourages Directors and employees to bring to the Company’s attention, instances of unethical behaviour, actual or suspected incidents of fraud or violation of the SPSL Code of Conduct that could adversely impact your Company’s operations, business performance and/or reputation. The Policy provides that the Company investigates such incidents, when reported, in an impartial manner and takes appropriate action to ensure that requisite standards of professional and ethical conduct are always upheld. It is your Company’s Policy to ensure that no employee is victimized or harassed for bringing such incidents to the attention of the Company. The practice of the Whistleblower Policy is overseen by the Audit Committee and no employee has been denied access to the Committee. Whistle Blower Policy is also available on the website of the Company at the web link: <http://www.spsl.com/downloads/polices/Whistle%20Blower%20Policy.pdf>

## 35. CONSERVATION OF ENERGY & TECHNOLOGY ABSORPTION

The information on conservation of energy, technology and foreign exchange earnings and outgo as stipulated in Section 134(3) (m) of the Companies Act, 2013 and rules framed there under is enclosed in **Annexure III**.

## 36. RISK MANAGEMENT

Your Company has an elaborate risk management procedure and adopted a systematic approach to mitigate risk associated with accomplishment of objectives, operations, revenues and regulations. Your Company believes that this would ensure mitigating steps proactively and help to achieve stated objectives.



**37. DETAILS OF APPLICATION MADE OR ANY PROCEEDING PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016 (31 OF 2016) DURING THE YEAR ALONG WITH THEIR STATUS AS AT THE END OF THE FINANCIAL YEAR**

During the year under review, neither there is any application made nor any proceedings are pending under the Insolvency and Bankruptcy Code, 2016 (31 of 2016)

**38. DETAILS OF DIFFERENCE BETWEEN AMOUNT OF THE VALUATION DONE AT THE TIME OF ONE TIME SETTLEMENT AND THE VALUATION DONE WHILE TAKING LOAN FROM THE BANKS OR FINANCIAL INSTITUTIONS ALONG WITH THE REASONS THEREOF**

During the year under review, no such exercise has happened.

**39. GENERAL DISCLOSURE**

Your Directors state that no disclosure or reporting is required in respect of the following items as there were no transactions on these items during the year under review or the same is not applicable to the company:

1. Issue of equity shares with differential rights as to dividend, voting or otherwise.
2. Issue of shares (sweat equity shares) to employees of the Company under ESOP.
3. Employee stock option scheme (ESOS) or provision of money for the purchase of its own shares by employees/ Directors or by trustees for the benefit of employees/ Directors;
4. Buy Back of shares of the Company.
5. Issue of Bonus Shares by the Company.
6. Preferential allotment or qualified institutional placement during the Financial Year 2021-22.
7. Maintenance of Cost Records as per Rule 8 (5) (ix) of The Companies (Accounts) Rules, 2014 and Section 148(1) of Companies Act, 2013.
8. The details of deposits which are not in compliance with the requirements of Chapter V of Companies Act, 2013;

9. Sexual Harassment of Woman at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and during the year under review:

**There were no cases filed.**

**40. GREEN INITIATIVE**

Your Company has adopted green initiative to minimize the impact on the environment. The Company has been circulating the copy of the Annual Report in electronic format to all those members whose email addresses are available with the Company. Your Company appeals other Members also to register themselves for receiving Report in electronic form.

**41. ACKNOWLEDGEMENT**

The Board of Directors wishes to express its gratitude and record its sincere appreciation for the commitment and dedicated efforts put in by all the employees. Your Directors take this opportunity to express their grateful appreciation for the encouragement, cooperation and support received by the Company from the Central and State Government, local authorities, bankers, customers, suppliers and business associates. The directors are thankful to the shareholders for their continued support and the confidence reposed in the Company and its Management.

The Directors regret the loss of life due to COVID-19 pandemic and are deeply grateful and have immense respect for every person who risked their life and safety to fight this pandemic.

**For and on behalf of the Board of Directors  
For SHREE PRECOATED STEELS LIMITED**

**Sd/-  
Ambalal C. Patel  
Chairman  
DIN: 00037870**

**Place: Mumbai  
Date: August 8, 2022**



## SHREE PRECOATED STEELS LIMITED

### Annexure I

Details of Remuneration as per Section 197(12)(1) of Companies Act, 2013:

- (I) The ratio of the remuneration of each director to the median remuneration of the employees of the company for the Financial Year :-

Sr. No	Name of Director	Ratio of remuneration to the Median remuneration of the employees
1	Mr. Harsh L. Mehta	-23.94

- (II) The percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the Financial Year 2021-2022:-

Sr. No.	Name of Director/KMP	% increase over last FY 2020-21
1	Mr. Harsh L. Mehta	Nil
2	Mr. Suresh N Pitale	10%
3	Mr. Raj Shah	Nil

- (III) The percentage increase in the median remuneration of employees in the Financial Year 2021-22 :- 10%

- (IV) The number of permanent employees on the rolls of company as on March 31, 2022 :- 3

- (V) average percentile increase 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

We hereby confirm that the remuneration paid is as per the remuneration policy recommended by the Nomination and Remuneration Committee of the Company and as adopted by the Company.

Place: Mumbai  
Date: August 8, 2022

Sd/-  
Mr. Ambalal C. Patel  
Chairman  
DIN: (00037870)



## ANNEXURE II

### Form No. MR-3 SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH 2022

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

#### The Members,

**SHREE PRECOATED STEELS LIMITED**  
1, Ground Floor, Citi Mall, New Link Road,  
Andheri - West, Mumbai - 400053

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **SHREE PRECOATED STEELS LIMITED** (hereinafter called the "Company") for the audit period covering the financial year ended on 31st March 2022. 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 2022, generally 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:

1. 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 2022, according to the provisions of:
  - (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
  - (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) The Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment;
  - (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 (Depositories and Participants) Regulations, 2018; and
- (d) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015 ("SEBI (LODR) Regulations, 2015")

2. There were no actions/ events in pursuance of following Regulations of SEBI requiring compliance thereof by the Company during the audit period:
  - (i) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
  - (ii) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
  - (iii) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;
  - (iv) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018;
  - (v) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; and
  - (vi) 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
3. Provisions of Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Overseas Direct Investment & External Commercial Borrowings were not attracted during the audit period;
4. Based on the information provided and review of the Compliances Report of Managing Director taken on record by the Board of the Company and also relying on the representation made by the Company and its Officers, in my opinion



## SHREE PRECOATED STEELS LIMITED

adequate system and process exists in the Company to monitor and ensure compliances with the provisions of general laws and there are no Laws and Regulations applicable specifically to the Company having regard to the sector/industry of the Company as identified and confirmed by the management.

5. I have also examined compliance with the applicable clauses of the following:
  - (i) Secretarial Standards (SS-1 and SS-2) issued by The Institute of Company Secretaries of India; and
  - (ii) Listing Agreements entered into by the Company with BSE Limited.

During the audit period, the Company has generally complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards mentioned above and there are no material non-compliances that have come to my knowledge except noncompliance in respect of:

1. Regulation 18(2)(a) of (LODR) Regulations, 2015- Gap of more than one hundred and twenty days elapsed between two Audit Committee meetings held on 8th February, 2021 and 18th June, 2021 respectively;
2. Regulation 31 of SEBI (LODR) Regulations, 2015- Delay in submission of shareholding pattern for the quarter ended on 31st December, 2021; and
3. Regulation 34(1) of SEBI (LODR) Regulations, 2015- Annual report was submitted to the stock exchange on 7th September, 2021, i.e. delay of one day from the date of commencement of dispatch to the shareholders i.e. 6th September, 2021.

**I further report** that compliances of finance and tax laws and maintenance of financial records and books of accounts has not been reviewed in this Audit since the same have been subject to review by statutory Auditors and other designated professionals.

**I further report that:**

1. The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. No changes in the composition of the Board of Directors took place during the period under review.
2. Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent 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.

3. All decisions at Board Meetings and Committee Meetings were carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committees of the Board, as the case may be.

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

**I further report** that during the year under review, no event(s)/action(s) which had a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. have been taken up by the Company.

Sd/-

**Shreya Shah**

**Practicing Company Secretary**

**ACS No.: 39409/CoP No.:15859**

**UDIN: A039409D000718945**

**Place: Mumbai**

**Date: 8th August, 2022**

**Note:**

This report is to be read with my letter of even date which is annexed as **ANNEXURE-A**, which forms an integral part of this report.



## ANNEXURE- A

**The Members,  
SHREE PRECOATED STEELS LIMITED  
1, Ground Floor, Citi Mall, New Link Road,  
Andheri - West, Mumbai - 400053**

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

1. Maintenance of secretarial record 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. Whenever required, I have obtained the management representation about the compliance of laws, rules and regulations and happening of major events during the audit period.
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.

**Sd/-  
Shreya Shah  
Practicing Company Secretary  
ACS No.: 39409/CoP No.:15859  
UDIN: A039409D000718945**

**Place: Mumbai  
Date: 8th August, 2022**



**Secretarial Compliance Report  
of  
SHREE PRECOATED STEELS LIMITED  
(CIN: L70109MH2007PLC174206)  
for the year ended 31st March, 2022**

*[Pursuant to Circular CIR/CFD/CMD1/27/2019 dated February 08, 2019 for the purpose of compliance with Regulation 24A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]*

I, **Shreya Shah** have examined:

- (a) the documents and records made available to me and explanation provided by **Shree Precoated Steels Limited** ("the listed entity"),
- (b) the filings/submissions made by the listed entity to BSE Ltd.,
- (c) website of the listed entity, and
- (d) other books, papers, minute books and other records maintained by the Company and produced before me for verification which has been relied upon to make this certification,

The following Regulations prescribed under the SEBI Act, whose provisions and the circulars/ guidelines issued thereunder, have been examined:

- (a) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("LODR Regulations, 2015");
- (b) Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- (c) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 ("PIT Regulations, 2015"); and
- (d) Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018;

There were no actions/ events in pursuance of following Regulations prescribed under SEBI Act, requiring compliance thereof by the Company during the year ended 31st March, 2022 ("Period") under review:

- (a) Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
- (b) Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
- (c) Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008
- (d) Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018;
- (e) Securities and Exchange Board of India (Issue and Listing of Non-Convertible and Redeemable Preference Shares) Regulations, 2013; and
- (f) Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009

and based on the above examination and verification of the documents and records produced before me and according to the information and explanations given to me by the Company, I hereby report that, during the Period under review:

- (a) The listed entity has complied with the provisions of the above Regulations and circulars/ guidelines issued thereunder, except in respect of matters specified below:

Sr. No.	Compliance Requirement (Regulations/ circulars / guidelines including specific clause)	Deviations	Observations/ Remarks of the Practicing Company Secretary
1	Regulation 18(2)(a) of (LODR) Regulations, 2015	Gap of more than one hundred and twenty days elapsed between two Audit Committee meetings held on 8th February, 2021 and 18th June, 2021 respectively	As informed by the management, the Audit Committee could not meet anytime between 8th February, 2021 and 18th June, 2021 due to outbreak of 2nd wave of COVID 19 and subsequent lockdown. The operations for Q4FY21 were reviewed in the Audit Committee meeting held on 18th June, 2021





2	Regulation 31 of SEBI (LODR) Regulations, 2015	Delay in submission of shareholding pattern for the quarter ended on 31st December, 2021	<p>According to the explanation given by the Company, the alleged non-compliance was caused due to delayed receipt of Ben-pos from the depository (CDSL) since the Ben-pos was blocked by CDSL on account of outstanding dues. On being aware of the situation via the Company's RTA, the Company cleared the outstanding dues and requested CDSL to release the Ben-pos which was only released after the due date of the compliance had lapsed.</p> <p>In this regard, SOP review notice has been received from BSE Limited for the alleged non-compliance under the said regulation and the Company has made the payment of INR 21,240/- towards the fines levied. Further, the waiver request application along with the requisite representations has also been submitted to BSE Limited. However, no further correspondence was received from BSE in this regard</p>
3	Regulation 34(1) of SEBI (LODR) Regulations, 2015	Annual report was submitted to the stock exchange on 7th September, 2021, i.e. delay of one day from the date of commencement of dispatch to the shareholders i.e. 6th September, 2021	According to the explanation given by the Company, the intimation was delayed inadvertently by one day.

- (b) The listed entity has maintained proper records under the provisions of the above Regulations and circulars/ guidelines issued thereunder insofar as it appears from my examination of those records
- (c) No actions were taken against the listed entity/ its promoters/ directors/ material subsidiaries either by SEBI or by Stock Exchanges (including under the Standard Operating Procedures (SOP) issued by SEBI through various circulars) under the aforesaid Acts/ Regulations and circulars/ guidelines issued thereunder except mentioned below:

Sr. No.	Action taken by	Details of violation	Details of action taken E.g. fines, warning letter, debarment, etc	Observations/ remarks of the Practicing Company Secretary
1.	BSE Limited vide their email dated 14th February, 2022	Delay in submission of shareholding pattern for the quarter ended on 31st December, 2021 as required under Regulation 31 of LODR Regulations, 2015	Fine of INR 21240/-	<p>According to the explanation given by the Company, the alleged non-compliance was caused due to delayed receipt of Ben-pos from the depository (CDSL) since the Ben-pos was blocked by CDSL on account of outstanding dues. On being aware of the situation via the Company's RTA, the Company cleared the outstanding dues and requested CDSL to release the Ben-pos which was only released after the due date of the compliance lapsed.</p> <p>On receipt of SOP review notice from BSE Limited for the alleged non-compliance under the said regulation, the Company has made the payment of INR 21,240/- towards the fines levied and the waiver request application along with the requisite representations has also been submitted.</p> <p>However, no further correspondence was received from BSE in this regard.</p>



## SHREE PRECOATED STEELS LIMITED

- (d) The listed entity has taken the following actions to comply with the observations made in previous reports:

<b>Sr. No.</b>	<b>Observations/ Remarks of the Practicing Company Secretary in previous reports</b>	<b>Observations made in the secretarial compliance report for the year ended</b>	<b>Actions taken by the listed entity, if any</b>	<b>Comments of the Practicing Company Secretary on the actions taken by the listed entity</b>
1	Regulation 18(2)(a) of (LODR) Regulations, 2015 – The audit committee met three times in a year instead of four times	Year ended 31st March, 2021	No action taken by the Company	According to explanation given by the company, it was not feasible to take corrective action
2	Regulation 31A(8) of (LODR) Regulations, 2015- Intimation on submission of application by the promoter seeking re-classification from “promoter” group to “non-promoter” to the stock exchanges was made with delay of more than twenty-four hours	Year ended 31st March, 2021	The Company submitted the intimation for receipt of request from the promoter seeking re-classification from “promoter” group to “non-promoter” to the stock exchange	The Company has taken action on realization of the unintentional delay caused.
3	Regulation 47 read with Regulation 30 with reference to disclosure of events specified under Clause 12 of Para A of Part A of Schedule III of (LODR) Regulations, 2015	Year ended 31st March, 2021	No action taken by the Company	According to explanation given by the Company, it was not feasible to take corrective action

**Shreya Shah**  
**Practicing Company Secretary**  
**ACS No.: 39409/CoP No.: 15859**  
**UDIN: A039409D000398416**

**Place: Mumbai**  
**Date: 26th May, 2022**



## ANNEXURE III

Statement of Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo pursuant to provisions of section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014:

### (A) CONSERVATION OF ENERGY

- 1) Steps taken or impact on conservation of energy: NA
- 2) Steps taken for utilization of alternate sources of energy: NA
- 3) Capital Investment on energy conservation equipments: NIL

### (B) TECHNOLOGY ABSORPTION

Forms of Disclosure of particulars in respect of absorption of technology, research and development

#### (a) Research and Development (R&D)

Specific areas in which R&D is being carried out by the Company	NA
Benefits derived as a result of above	NA
Future Plan	NA
Expenditure	NA

- 1) Efforts made towards technology absorption : Not Applicable
- 2) Benefits derived : Not Applicable
- 3) Details of technology imported in last three years : Not Applicable
- 4) The Expenditure incurred on Research & Development : Not Applicable

#### b) Technology Absorption, Adaption & Innovation

Efforts in brief towards Technology Absorption, adaptation and Innovation	NA
Benefits derived as a result of above effort e.g. product improvement, cost reduction, product development, etc	NA
In case of imported technology	NA

### (C) FOREIGN EXCHANGE EARNINGS AND OUTGO:

Particulars		Current Year (Rs. In Lakhs)	Previous Year (Rs. In Lakhs)
Total Foreign exchange inflow and outflow	Inflow	NIL	NIL
	Outflow	NIL	NIL
<b>Total</b>		<b>NIL</b>	<b>NIL</b>

Place: Mumbai  
Date: August 8, 2022

Sd/-  
Ambalal C. Patel  
Chairman  
DIN: 00037870



## CORPORATE GOVERNANCE REPORT

### 1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

The Report on Corporate Governance reflects the ethos of the Company and its continuous commitment to transparency, integrity, fairness, accountability, ethical business practices and professionalism across its operations. Corporate governance is a concept, rather than an individual instrument. It is the system of rules, practices and processes by which a firm is directed and controlled. Corporate governance essentially involves balancing the interests of Company's many stakeholders, such as Shareholders, Management, customers, suppliers, financiers, government and the community. Since corporate governance also provides the framework for attaining a Company's objectives, it encompasses practically every sphere of management, from action plans and internal controls to performance measurement and corporate disclosure. The Company believes that sound corporate governance mechanism is critical to retain and enhance stakeholder's trust.

The Company is in compliance with the requirements stipulated under Regulations 17 to 27 read with Schedule V and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), as applicable, with regard to corporate governance.

Pursuant to Regulation 34 read with Part C of Schedule V of the Listing Regulations, the Company hereby presents a Report on Corporate Governance to its members for the Financial Year 2021-2022.

### 2. BOARD OF DIRECTORS

- a. As on March 31, 2022, the Company has Four Directors. Of the Four Directors, Three (i.e. 75%) are Non-Executive Directors out of which two (i.e. 50%) are Independent Directors. The Chairman of the Board is a Non-Executive Independent Director. The composition of the Board is in conformity with Regulation 17 of the SEBI Listing Regulations read with Section 149 of the Companies Act, 2013 (hereinafter referred as "Act").
- b. None of the Directors on the Board hold directorships in more than ten public companies. Further, none of them is a member of more than ten Committees or chairman of more than five Committees across all the public companies in which he or she is a Director. Necessary disclosures regarding Committee positions in other public companies as on March 31, 2022 have been made by the Directors.
- c. Independent Directors are Non-Executive Directors as defined under Regulation 16(1)(b) of the SEBI Listing Regulations and Section 149(6) of the Act. In terms of Regulation 25(8) of SEBI Listing Regulations, they have confirmed that they are not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact their ability to discharge their duties. Based on the declarations received from the Independent Directors, the Board of Directors has confirmed that they meet the criteria of Independence as mentioned under Regulation 16(1)(b) of the SEBI Listing Regulations and that they are Independent of the Management.
- d. Four Board Meetings were held during the year and the gap between two meetings did not exceed one hundred and twenty days (120 days). The meetings were conducted in Compliance with all the regulatory requirements prescribed under various statutes and regulations. In exceptional circumstances, additional meetings are being held, in case of necessity. The said meetings were held on: June 18, 2021, August 09, 2021, October 22, 2021 & February 08, 2022. The necessary quorum was present for all the meetings.
- e. The names and categories of the Directors on the Board, their attendance at Board Meetings held during the year and at the last Annual General Meeting (AGM), name of other listed entities in which the Director is a Director and the number of Directorships and Committee Chairmanships/Memberships held by them in other public limited companies as on March 31, 2022 are given herein below. Other Directorships do not include Directorships of private limited companies, foreign companies and companies under Section 8 of the Act. For the purpose of determination of limit of the Board Committees, Chairpersonship and membership of the Audit Committee and Stakeholders' Relationship Committee has been considered as per Regulation 26(1)(b) of SEBI Listing Regulations.



Sr. No.	Name of Directors	Category	No. of Board Meeting Attended	Whether Last AGM attended	No. of Directorship in other Public Companies	No. of Committee positions held in other Public Companies		Directorship in other listed entity (Category of Directorship)
						Chairman	Member	
1	Mr. Ambalal C. Patel	Non-Executive Independent Director	4	Yes	5	-	5	1. Ajmera Realty & Infra India Limited - Non -Executive Independent Director 2. Jindal Hotels Limited - Non-Executive Independent Director 3. S A L Steel Limited - Non-Executive Independent Director 4. Sumeru Industries Limited - Non-Executive Independent Director
2	Mrs. Aarti M. Ramani	Non-Executive Woman Independent Director	4	Yes	1	2	-	1. Ajmera Realty & Infra India Limited - Non-Executive Woman Independent Director
3	Mr. Nilesh H. Sarvaiya	Non-Executive Professional Director	4	Yes	1	-	-	-
4	Mr. Harsh L. Mehta	Executive Managing Director	4	Yes	2	-	-	-

- f. During the year 2021-22, information as mentioned in Part A of Schedule II of the SEBI Listing Regulations, has been placed before the Board for its consideration.
- g. There are no Inter-se relationships between our Board Members. The Company doesn't have pecuniary relationships with any of the Non-executive Directors apart from payment of sitting fees.
- h. During the year 2021-22, one meeting of the Independent Directors were held on March 24, 2022. The Independent Directors, inter-alia, have reviewed the performance of Non-Independent Directors, Chairman of the Company and the Board as a whole.
- i. The Board periodically reviews the compliance reports of all laws applicable to the Company.
- j. Details of equity shares of the Company held by the Directors as on March 31, 2022 are given below:

Name of Director	Designation	No. of Equity Shares
Mr. Ambalal C. Patel	Non-Executive Independent Director (Chairman)	NIL
Mrs. Aarti M. Ramani	Non-Executive Woman Independent Director	NIL
Mr. Nilesh H. Sarvaiya	Non-Executive Professional Director	NIL
Mr. Harsh L. Mehta	Managing Director	NIL



## SHREE PRECOATED STEELS LIMITED

- k. The Board has identified the following skills/expertise/ competencies fundamental for the effective Functioning of the Company which are currently available with the Board:

<b>Financial Management and Accounting</b>	Expertise in understanding and management of complex financial functions and processes, deep knowledge of accounting and finance for financial health of the Company.
<b>Knowledge and expertise of Trade and Economic Policies</b>	Possessing knowledge and expertise of various trade and economic policies, ability to analyze their impact on the business of the Company and devise revised strategies.
<b>Corporate governance</b>	Experience in developing and implementing good corporate governance practices, maintaining Board and Management accountability, managing stakeholders' interests and Company's responsibilities towards customers, employees, suppliers, regulatory bodies and the communities in which it operates. Experience in Boards and Committees of other large companies.
<b>Functional and managerial experience</b>	Knowledge and skills in accounting and finance, business judgment, general management practices and processes, crisis response and management, industry knowledge, macro-economic perspectives, human resources, labour laws, international markets, sales and marketing, and risk management.
<b>Wide Management and leadership experience</b>	Strong management and leadership experience, including in areas of business development, strategic planning and mergers and acquisitions, ideally with major public companies with successful multinational operations in technology, manufacturing, banking, investments and finance, international business, scientific research and development, senior level government experience and academic administration.
<b>Information Technology</b>	Expertise or experience in information technology business, technology consulting and operations, emerging areas of technology such as digital, cloud and cyber security, intellectual property in information technology domain, and knowledge of technology trends.
<b>Diversity</b>	Diversity of thought, experience, knowledge, perspective, gender and culture brought to the Board by individual members. Varied mix of strategic perspectives, geographical focus with knowledge and understanding of key geographies.

- l. Matrix highlighting core skills/expertise/competencies of the Board of Directors:

The Board of Directors have identified the following skills required for the Company and the availability of such skills with the Board:

<b>Core Skill /expertise/ competencies</b>	Mr. Ambalal C. Patel	Mrs. Aarti M. Ramani	Mr. Harsh L. Mehta	Mr. Nilesh H. Sarvaiya
<b>Financial Management and Accounting</b>	✓	✓	✓	✓
<b>Knowledge and expertise of Trade and Economic Policies</b>	✓	✓	✓	✓
<b>Corporate Governance</b>	✓	✓	✓	✓
<b>Functional and Managerial experience *</b>	✓	✓	✓	✓
<b>Wide Management and leadership experience *</b>	✓	✓	✓	✓
<b>Information technology</b>	✓	✓	✓	✓
<b>Diversity</b>	✓	✓	✓	✓



\*These skills/competencies are broad-based, encompassing several areas of expertise/experience. Each Director may possess varied combinations of skills/experience within the described set of parameters, and it is not necessary that all Directors possess all skills/ experience listed therein.

**m. Certification from Company Secretary in Practice:**

Mr. Haresh Sanghvi, Practicing Company Secretary, has issued a certificate as required under the SEBI Listing Regulations, confirming that none of the directors on the Board of the Company has been debarred or disqualified from being appointed or continuing as director of companies by the SEBI/Ministry of Corporate Affairs or any such statutory authority. The certificate is enclosed with this section as **Annexure A**.

**n. Managing Director (MD) and his responsibilities:**

Mr. Harsh L. Mehta is the Managing Director (MD) of the Company.

The MD is responsible for executing corporate strategy in consultation with the Board, brand equity, planning, external contacts and all matters related to the management of the Company. He is also responsible for achieving annual and long term business targets, maintaining awareness of both external and internal competitive landscape, opportunities for expansion, customers, markets, new industry developments and standards, acquisitions for enhancing shareholder value, implementing the organizations vision, mission and overall direction.

The MD acts as link between the Board and the Management and is also responsible for leading and evaluating work of other executive leaders including CFO and Finance as per the organizations structure.

**3. COMMITTEE OF THE BOARD**

A. The following Four (4) Committees have been formed considering the needs of the Company and best practices in Corporate Governance, details of which are as follows:

Name of the Committee	Extract of Terms of Reference	Category & Composition		Other details
<b>Audit Committee</b>	Committee is constituted in line with the provisions of Regulation 18 of SEBI Listing Regulations and Section 177 of the Act. The terms of reference are as follows: <ul style="list-style-type: none"> <li>Oversight of financial reporting process.</li> <li>Reviewing with the Management, the annual Financial Statements and auditors' report thereon before submission to the Board for approval.</li> <li>Evaluation of internal financial controls and risk management systems.</li> <li>Recommendation for appointment, remuneration and terms of appointment of auditors of the Company.</li> <li>Approve policies in relation to the implementation of the Insider Trading Code and to supervise implementation of the same.</li> <li>Carrying out any other function as may be assigned to the Committee by the Board from time to time.</li> </ul>	<b>Name</b>	<b>Category</b>	<ul style="list-style-type: none"> <li>Four meetings of the Audit Committee were held during the year.</li> <li>Committee invites such of the executives particularly the head of the finance function, representatives of the statutory auditors and Internal auditors, as it considers appropriate, to be Present at its meetings.</li> <li>The Company Secretary acts as the Secretary to the Audit Committee.</li> <li>The previous AGM of the Company was held on September 29, 2021 and was attended by all the members of the Audit Committee.</li> </ul>
		Mrs. Aarti M. Ramani (Chairperson)	Non-Executive Woman Independent Director	
		Mr. Ambalal C. Patel	Non-Executive Independent Director	
		Mr. Nilesh H. Sarvaiya	Non-Executive Professional Director	



## SHREE PRECOATED STEELS LIMITED

<p><b>Nomination and Remuneration Committee</b></p>	<p>Committee is constituted in line with the provisions of Regulation 19 of SEBI Listing Regulations and Section 178 of the Act. The terms of reference are as follows:</p> <ul style="list-style-type: none"> <li>Recommend to the Board its composition and the set up and composition of the Committees.</li> <li>Recommend to the Board the appointment/ re-appointment of Directors and Key Managerial Personnel.</li> <li>Carry out evaluation of every Director's performance and support the Board and Independent Directors in evaluation of the performance of the Board, its Committees and individual directors.</li> <li>Recommend to the Board the Remuneration Policy for directors, Key Managerial Personnel, as well as the rest of employees.</li> <li>Oversee familiarization programmes for Directors.</li> </ul>	<table border="1"> <thead> <tr> <th>Name</th> <th>Category</th> </tr> </thead> <tbody> <tr> <td>Mrs. Aarti M. Ramani (Chairperson)</td> <td>Non-Executive Woman Independent Director</td> </tr> <tr> <td>Mr. Ambalal C. Patel</td> <td>Non-Executive Independent Director</td> </tr> <tr> <td>Mr. Nilesh H. Sarvaiya</td> <td>Non-Executive Professional Director</td> </tr> </tbody> </table>	Name	Category	Mrs. Aarti M. Ramani (Chairperson)	Non-Executive Woman Independent Director	Mr. Ambalal C. Patel	Non-Executive Independent Director	Mr. Nilesh H. Sarvaiya	Non-Executive Professional Director	<ul style="list-style-type: none"> <li>One Nomination and Remuneration Committee meeting was held during the year.</li> <li>The Company does not have any Employee Stock Option Scheme.</li> <li>Details of Performance Evaluation Criteria and Remuneration Policy are provided in this report.</li> </ul>
Name	Category										
Mrs. Aarti M. Ramani (Chairperson)	Non-Executive Woman Independent Director										
Mr. Ambalal C. Patel	Non-Executive Independent Director										
Mr. Nilesh H. Sarvaiya	Non-Executive Professional Director										
<p><b>Stakeholders Relationship Committee</b></p>	<p>Committee is constituted in line with the provisions of Regulation 20 of SEBI Listing Regulations and Section 178 of the Act. The terms of reference are as follows:</p> <ul style="list-style-type: none"> <li>Consider and resolve the grievances of security holders.</li> <li>Consider and approve issue of share certificates, transfer and transmission of securities, etc.</li> <li>To approve issue of duplicate certificates.</li> </ul>	<table border="1"> <thead> <tr> <th>Name</th> <th>Category</th> </tr> </thead> <tbody> <tr> <td>Mrs. Aarti M. Ramani (Chairperson)</td> <td>Non-Executive Woman Independent Director</td> </tr> <tr> <td>Mr. Harsh L. Mehta</td> <td>Managing Director</td> </tr> <tr> <td>Mr. Nilesh H. Sarvaiya</td> <td>Non-Executive Professional Director</td> </tr> </tbody> </table>	Name	Category	Mrs. Aarti M. Ramani (Chairperson)	Non-Executive Woman Independent Director	Mr. Harsh L. Mehta	Managing Director	Mr. Nilesh H. Sarvaiya	Non-Executive Professional Director	<ul style="list-style-type: none"> <li>Four meetings of the Stakeholders' Relationship Committee were held during the year.</li> <li>The Stakeholders Relationship Committee reviews and ensures the existence of proper system for timely resolution of grievance of the security holders of the Company including complaints related to transfer of Shares, non receipt of Balance Sheet etc.</li> <li>Details of investor complaints and the Compliance Officer are provided in this report.</li> </ul>
Name	Category										
Mrs. Aarti M. Ramani (Chairperson)	Non-Executive Woman Independent Director										
Mr. Harsh L. Mehta	Managing Director										
Mr. Nilesh H. Sarvaiya	Non-Executive Professional Director										
<p><b>Committee of Independent Director</b></p>	<p>The terms of reference are as follows:</p> <ul style="list-style-type: none"> <li>Reviewing the performance of Non-Independent Directors and the Board as a whole;</li> <li>Reviewing the performance of the Chairperson of the Company, taking into account the views of executive directors and non- executive directors;</li> <li>Assessing the quality, quantity and timeliness of flow of information between the Company Management and the Board that is necessary for the Board to effectively and reasonably perform their duties;</li> <li>Submitting its report as above to Nomination &amp; Remuneration Committee and the Board of Directors, as the case may be;</li> <li>Performing such other roles as may be prescribed by the Act, SEBI Listing Regulations, Banking Regulation Act, 1949 and the Circulars/Regulations issued by the Regulatory Authorities from time to time.</li> </ul>	<table border="1"> <thead> <tr> <th>Name</th> <th>Category</th> </tr> </thead> <tbody> <tr> <td>Mrs. Aarti M. Ramani (Chairperson)</td> <td>Non-Executive Woman Independent Director</td> </tr> <tr> <td>Mr. Ambalal C. Patel</td> <td>Non-Executive Independent Director</td> </tr> </tbody> </table>	Name	Category	Mrs. Aarti M. Ramani (Chairperson)	Non-Executive Woman Independent Director	Mr. Ambalal C. Patel	Non-Executive Independent Director	<ul style="list-style-type: none"> <li>Meeting of Independent Directors was held on March 24, 2022.</li> </ul>		
Name	Category										
Mrs. Aarti M. Ramani (Chairperson)	Non-Executive Woman Independent Director										
Mr. Ambalal C. Patel	Non-Executive Independent Director										





**B. Stakeholders' Relationship Committee – other details:**

**i. Name, designation and address of Compliance Officer:**

Ms. Divya Hisaria  
 Company Secretary & Compliance Officer  
 Shree Precoated Steels Limited  
 1, Ground Floor, Citi Mall, New Link Road, Andheri (W), Mumbai: 400053  
 Tel: +91 7208182677  
 Email: [spsl.investors@gmail.com](mailto:spsl.investors@gmail.com)

**ii. Details of investor complaints received and redressed during the year 2021-22 are as follows:**

Opening Balance	Received during the year	Resolved during the Year	Closing Balance
0	0	0	0

**C. Nomination and Remuneration Committee – other details:**

**Performance Evaluation Criteria for Independent Directors:**

The performance evaluation criteria for Independent Directors are determined by the Nomination and Remuneration Committee. An indicative list of factors on which evaluation was carried out includes participation and contribution by a Director, commitment, effective deployment of knowledge and expertise, integrity and maintenance of confidentiality and independence of behavior and judgment.

**Remuneration Policy:**

Remuneration policy of the Company is designed to create a high-performance culture. It enables the Company to attract, retain and motivate employees to achieve results. Our business model promotes customer centricity and requires employee mobility to address project needs. The remuneration policy supports such mobility through pay models that are compliant to local regulations.

The Company pays remuneration by way of salary, benefits, perquisites and allowances (fixed component) to its Managing Director. Annual increments are recommended by the Nomination and Remuneration Committee within the salary scale approved by the Board and Members and are effective April 1, each year.

The Company pays sitting fees of ₹ 5,000/- per meeting to its Non-Executive Directors for attending meetings of the Board and meetings of Committees of the Board. The Company also reimburses the out-of-pocket expenses incurred by the Directors for attending the meetings. The Remuneration policy is available on <http://www.spsl.com/downloads/polices/Nomination%20&%20Remuneration%20Policy.pdf>

**D. Details of the Remuneration paid for the year ended March 31, 2022:**

(Amt in ₹)

Sr. No.	Name of the Director	Remuneration (Gross)	Sitting Fees	Perquisites	Bonus	Total
1	Mr. Ambalal C. Patel	NA	45,000	-	-	45,000
2	Mrs. Aarti M. Ramani	NA	45,000	-	-	45,000
3	Mr. Nilesh H. Sarvaiya	NA	40,000	-	-	40,000
4	Mr. Harsh L. Mehta	12,12,631	NA	-	-	12,12,631



## SHREE PRECOATED STEELS LIMITED

### E. Numbers of Meeting held and Attendance records:

	Audit Committee	Nomination and Remuneration Committee	Stakeholders Relationship Committee	Review Committee
<b>No. of Meetings</b>	4	1	4	1
Dates of meeting	June 18, 2021, August 09, 2021, October 22, 2021 & February 08, 2022	February 08, 2022	April 07, 2021, July 07, 2021, October 07, 2021 & January 07, 2022	March 24, 2022
<b>No. of Meetings Attended</b>				
<b>Name of Member</b>				
Mr. Ambalal C. Patel	4	1	NA	1
Mrs. Aarti M. Ramani	4	1	4	1
Mr. Nilesh H. Sarvaiya	4	1	4	NA
Mr. Harsh L. Mehta	NA	NA	4	NA
Whether quorum was present for all the meetings	The necessary quorum was present for all the above Committee meetings			

### 4. GENERAL BODY MEETINGS:

#### A. Annual General Meeting of the earlier three years:

Details of Annual General Meetings (AGMs) are as under:

Financial Year	Details of day, date, time and venue where AGM was held	Summary of Special Resolutions passed
2020-21	13 <sup>th</sup> AGM was conducted on Wednesday, September 29, 2021 at 03:31 PM through video conference/ other audio visual means	1. Re-appointment of Mr. Harsh L. Mehta (DIN: 01738989), as Managing Director (Whole Time Key Managerial Personnel) of the Company for a term of Five(5) years.
2019-20	12 <sup>th</sup> AGM was conducted on Friday, September 30, 2020 at 04:00 PM at 3 <sup>rd</sup> Floor, Citi Mall, New Link Road, Andheri (W), Mumbai: 400 053	1. Re-classification of Promoters of the Company as a Public Shareholder.
2018-19	11 <sup>th</sup> AGM was conducted on Friday, December 20, 2019 at 04:00 PM at 3 <sup>rd</sup> Floor, Citi Mall, New Link Road, Andheri (W), Mumbai: 400 053	1. Re-appointment of Mr. Ambalal C. Patel (DIN: 00037870) as Independent Director (Category: Non-Executive) of the Company for the second term of five (5) consecutive years. 2. Re-appointment of Mrs. Aarti M. Ramani (DIN: 06941013) as Woman Independent Director (Category: Non-Executive) of the Company for the second term of five (5) consecutive years. 3. Revision in terms of remuneration of Mr. Harsh L. Mehta, (DIN: 01738989) Managing Director of the Company.

#### B. Extraordinary General Meeting:

No extraordinary general meeting of the Members was held during FY 2021-22.

#### C. Postal Ballot:

For the year ended March 31, 2022 there have been no ordinary or special resolutions passed by the Company's Shareholders through postal ballot.

**D. CEO/CFO Certification:**

The Managing Director and CFO of your Company have issued necessary certificate pursuant to the provisions of Regulation 17(8) of the Listing Regulations and the same forms part of this Annual Report.

**E. Green Initiative in Corporate Governance:**

Your Company has promoted and administered the 'Green Initiative' proposed by the Ministry of Corporate Affairs and the Company has been affecting the electronic delivery of Notice of Annual General Meeting and Annual Report to the shareholders whose email ids are registered with the respective depository participants. The Listing Regulations and the Act, and Rules there under, provides for circulation of Financial Statements electronically to the Shareholders. Your Company has initiated and implemented successfully the process of conducting the Board and Committee meetings using e-presentations and web based meeting tool. This initiative of the Company has resulted in considerable saving on paper and expenditure.

**F. Fees paid to M/s. Manesh Mehta & Associates, Statutory Auditors:**

M/s. Manesh Mehta & Associates (Firm Registration No. 115832W) have been appointed as the Statutory Auditors of the Company. The particulars of payment of Statutory Auditors' fees is given below:-

Particulars	Amount (in Lakhs)
Audit Fees	0.60

**5. OTHER DISCLOSURES:**

Particulars	Legal Requirement	Details	Website Link for details/policy
Familiarization Programme for Independent Directors	Regulations 25(7) and 46 of SEBI Listing Regulations	Details of familiarization programme imparted to Independent Directors are available on the Company's website.	<a href="http://www.spsl.com/downloads/familiarisation-of-ID-of-SPSL.pdf">http://www.spsl.com/downloads/familiarisation-of-ID-of-SPSL.pdf</a>
Terms of Appointment of Independent Directors	Regulation 46 of SEBI Listing Regulations and Section 149 read with Schedule IV of the Act	Terms and conditions of appointment of Independent Directors are available on the Company's website.	<a href="http://www.spsl.com/downloads/policies/Draft-Letter-Containing.pdf">http://www.spsl.com/downloads/policies/Draft-Letter-Containing.pdf</a>
Code of Conduct	Regulation 17 of SEBI Listing Regulations	The members of the Board and Senior Management Personnel have affirmed compliance with the Code of Conduct applicable to them during the year ended March 31, 2022. The Annual Report of the Company contains a certificate by the Managing Director, on the compliance declarations received from Independent Directors, Non- Executive Directors and Senior Management.	<a href="http://www.spsl.com/downloads/policies/Code-of-Conduct.pdf">http://www.spsl.com/downloads/policies/Code-of-Conduct.pdf</a>
Reconciliation of Share Capital Audit Report	Regulation 76 of the Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018 and SEBI Circular No D&CC/ FITTC/ Cir-16/2002 dated December 31, 2002.	A qualified Practicing Company Secretary carried out a share capital audit to reconcile the total admitted equity share capital with the National Securities Depository Limited ("NSDL") and the Central Depository Services (India) Limited ("CDSL") and the total issued and listed equity share capital. The audit report confirms that the total issued / paid-up capital is in agreement with the total number of shares in physical form and the total number of dematerialized Shares held with NSDL and CDSL.	<a href="http://www.spsl.com/stock-exchange-intimation.php">http://www.spsl.com/stock-exchange-intimation.php</a>



Policy on archival and preservation of documents	Regulation 9 of SEBI Listing Regulations	The Company has adopted a policy on archival and preservation of documents.	<a href="http://www.spsl.com/downloads/polices/Archival-Policy-SPSL.pdf">http://www.spsl.com/downloads/polices/Archival-Policy-SPSL.pdf</a>
Policy on determination of materiality for disclosures	Regulation 30 Of SEBI Listing Regulations	The Company has adopted a policy on determination of materiality for disclosures.	<a href="http://www.spsl.com/downloads/polices/Policy-for-det-Material-events-SPSL.pdf">http://www.spsl.com/downloads/polices/Policy-for-det-Material-events-SPSL.pdf</a>
Whistle Blower Policy and Vigil Mechanism	Regulation 22 of SEBI Listing Regulations	The Company has adopted a Whistle Blower Policy and has established the necessary vigil mechanism for directors and employees to report concerns about unethical behavior. No person has been denied access to the Chairman of the Audit Committee. The said policy has been uploaded on the website of the Company.	<a href="http://www.spsl.com/downloads/polices/Whistle%20Blower%20Policy.pdf">http://www.spsl.com/downloads/polices/Whistle%20Blower%20Policy.pdf</a>
Related party transactions	Regulation 23 of SEBI Listing Regulations and as defined under the Act	There are no material related party transactions during the year. The Board's approved policy for related party transactions is uploaded on the website of the Company.	<a href="http://www.spsl.com/downloads/polices/RPT%20policy.pdf">http://www.spsl.com/downloads/polices/RPT%20policy.pdf</a>
Disclosure under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2018	-	The Company did not have any women/ Female employee during the Financial Year 2021-22. Hence the requirement is not applicable.	-

**5.1 Non-compliance of any requirement of Corporate Governance Report, with reasons thereof:**

The Company has complied with the requirements specified in Regulations 17 to 27 and clauses (b) to (i) of the Regulation 46(2) of the Listing Regulations except mentioned as follows:

- i. Gap of more than one hundred and twenty days elapsed between two Audit Committee meetings held on 8th February, 2021 and 18th June, 2021 respectively:

The Audit Committee could not meet anytime between 8th February, 2021 and 18th June, 2021 due to outbreak of 2nd wave of COVID 19 and subsequent lockdown.

The operations for Q4FY21 were reviewed in the Audit Committee meeting held on 18th June, 2021.

- ii. Delay in submission of shareholding pattern for the quarter ended on 31st December, 2021:

The non-compliance was caused due to delayed receipt of Ben-pos from the depository (CDSL) since the Ben-pos was blocked by CDSL on account of outstanding dues. On being aware of the situation via the Company's RTA, the Company cleared the outstanding dues and requested CDSL to release the Ben-pos which was only released after the due date of the compliance had lapsed.

In this regard, SOP review notice has been received from BSE Limited for the alleged non-compliance under the said regulation and the Company has made the payment of INR 21,240/- towards the fines levied. Further, the waiver request application along with the requisite representations has also been submitted to BSE Limited. However, no further correspondence was received from BSE in this regard.

- iii. Annual report was submitted to the stock exchange on 7th September, 2021, i.e. delay of one day from the date of commencement of dispatch to the shareholders i.e. 6th September, 2021:

The intimation was delayed inadvertently by one day.



## 5.2 Details of Non-Compliance by the Company, penalty, and strictures imposed on the Company by the stock exchange, or Securities and Exchange Board of India ('SEBI') or any statutory authority on any matter related to capital markets:

The Company has complied in general with the requirements of the Stock Exchanges/SEBI/and other Statutory Authorities on all matters related to Capital Markets during the year except as provided hereunder:

- Delay in submission of shareholding pattern for the quarter ended on 31st December, 2021:

The non-compliance was caused due to delayed receipt of Ben-pos from the depository (CDSL) since the Ben-pos was blocked by CDSL on account of outstanding dues. On being aware of the situation via the Company's RTA, the Company cleared the outstanding dues and requested CDSL to release the Ben-pos which was only released after the due date of the compliance had lapsed.

In this regard, SOP review notice has been received from BSE Limited for the alleged non-compliance under the said regulation and the Company has made the payment of INR 21,240/- towards the fines levied. Further, the waiver request application along with the requisite representations has also been submitted to BSE Limited. However, no further correspondence was received from BSE in this regard.

## 6. MEANS OF COMMUNICATION:

Annual Report, Notice of the meetings and other communications to the Shareholders are sent through e-mail, post or courier.

However, this year in view of the outbreak of COVID-19 pandemic and owing to the difficulties involved in dispatching of physical copies of Annual Report, the Ministry of Corporate Affairs ("MCA") has vide its General Circular No. 20/2020 dated May 5, 2020 read with Circular No. 14/ 2020 dated April 8, 2020 and Circular No. 17/ 2020 dated April 13, 2020, General Circular No. 02/2021 dated January 13, 2021 and General Circular No. 21/2021 dated December 14, 2021 and General Circular No. 3/2022 dated May 05, 2022 (collectively referred to as "MCA Circulars") and other relevant issued by Ministry of Corporate Affairs ("MCA") SEBI Circular No. SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated January 15, 2021 and SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated May 13, 2022 and other relevant Circulars issued by the Securities and Exchange Board of India ("SEBI") and in compliance with the provisions of the Companies Act, 2013 ("Act") and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), directed the Companies to send the Annual Report only by e-mail to all the Members of the Company.

Therefore, the Annual Report for FY 2021-22 including Notice of 14th AGM of the Company is being sent to the Members at their registered e-mail addresses in accordance with MCA and SEBI Circulars.

The quarterly, half-yearly and yearly Financial Results of the Company are sent to the Stock Exchanges immediately within 30 minutes, after these are approved by the Board. These are widely published in Business Standard and Apla Mahanagar/Mumbai Lakshadeep.

These results are simultaneously posted on the website of the Company at [www.spsl.com](http://www.spsl.com) and also uploaded on the website of Bombay Stock Exchange Ltd.

## 7 GENERAL SHAREHOLDER'S INFORMATION:

### 7.1. Annual General Meeting:

Day & Date : Friday, September 30, 2022

Time : 04:00 p.m.

Venue : The Company is conducting meeting through VC / OAVM.

As required under Regulation 36(3) of the SEBI Listing Regulations and Secretarial Standard 2, particulars of Directors seeking re-appointment at this AGM are given in the Annexure to the Notice of this Annual Report.



# SHREE PRECOATED STEELS LIMITED

## 7.2 Financial Calendar:

Financial Calendar Tentative & Subject to Change:	April 01, 2022 to March 31, 2023
First Quarter	July/August, 2022
Second Quarter/Half Yearly	October/November, 2022
Third Quarter/Nine months	January/February, 2023
Fourth Quarter/Annual	April/May, 2023
Annual General Meeting	September, 2023

## 7.3 Listing Details:

Equity Shares	Non-Convertible Debentures	Global Depository Receipts
<b>Bombay Stock Exchange Limited</b> Dalal Street, Phiroze Jeejeebhoy Towers Mumbai-400 001 ISIN: INE318K01025 <b>Script code: 533110</b>	NA	NA

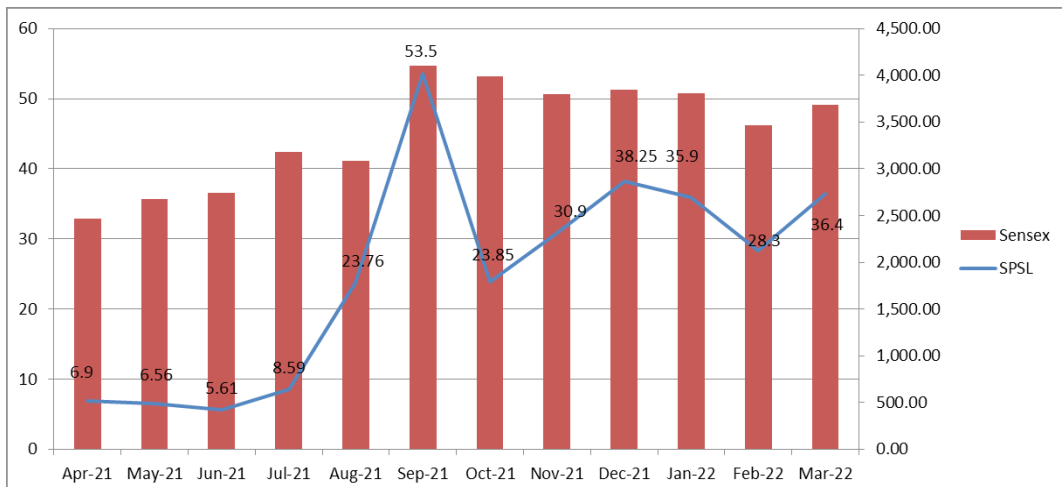
**Note:** The Company has paid listing fees up to March 31, 2022 to Bombay Stock Exchange Limited (BSE) where Company's shares are listed.

## 7.4 Market Price Data:

The high/low market price of the shares for each month during the Financial Year 2021-22 on the Bombay Stock Exchange Limited are as mentioned below:

Month	Bombay Stock Exchange			S & P BSE SENSEX (Closing)
	High	Low	Close	
Apr-21	6.90	6.90	6.90	2,468.20
May-21	6.90	6.56	6.56	2,680.01
Jun-21	6.24	5.61	5.61	2,740.68
Jul-21	8.59	5.05	8.59	3,182.51
Aug-21	23.76	9.01	23.76	3,084.98
Sept-21	62.20	24.90	53.50	4,103.77
Oct-21	50.85	23.85	23.85	3,985.28
Nov-21	31.40	17.70	30.90	3,799.90
Dec-21	44.25	31.40	38.25	3,841.12
Jan-22	41.50	33.10	35.90	3,811.61
Feb-22	37.60	26.95	28.30	3,466.04
Mar-22	36.40	26.90	36.40	3,681.83

## 7.5 Performance of the share price of the Company in comparison to the BSE Sensex





## 7.6 Registrars and Transfer Agents:

Link Intime India Pvt. Ltd.  
C 101, 247 Park, L B S Marg, Vikhroli (West), Mumbai, Maharashtra 400083.  
Email: [rnt.helpdesk@linkintime.co.in](mailto:rnt.helpdesk@linkintime.co.in) Website : [www.linkintime.co.in](http://www.linkintime.co.in)  
Telephone : +91 22 4918 6000 Fax : +91 22 4918 6060

## 7.7 Share Transfer System:

In terms of Regulation 40(1) of SEBI Listing Regulations, as amended, securities can be transferred only in dematerialized form w.e.f. April 1, 2019, except in case of request received for transmission or transposition of securities. Members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Transfers of equity shares in electronic form are effected through the depositories with no involvement of the Company. The Directors and certain Company officials (including Chief Financial Officer and Company Secretary) are authorised by the Board severally to approve transfers, which are noted at subsequent Board Meetings.

## 7.8 Distribution of Shareholding as on March 31, 2022:

### a. Distribution of shareholding by size:

No. of Equity shares	Shareholders		Shares held in each class	
	Number	%	Number	%
Up to 100	16119	98.1370	412987	9.9758
101 to 200	140	0.8524	102044	2.4649
201 to 500	59	0.3592	81766	1.9751
501 to 1,000	32	0.1948	78796	1.9033
1,001 to 5,000	8	0.0487	27749	0.6703
5,001 to 10,000	7	0.0426	31262	0.7551
10,001 to 1,00,000	12	0.0731	83806	2.0243
1,00,001 & above	48	0.2922	3321492	80.2312
<b>Total</b>	<b>16425</b>	<b>100.0000</b>	<b>4139902</b>	<b>100.0000</b>

### b. Distribution of Shareholding by category:

Sr. No.	Category	No of Shares	% of Shareholding
1	Promoter	2113113	51.0427
2	Residential Individual	1620767	39.1499
3	Private Corporate Bodies	362737	8.760
4	Financial Institutions/ Banks and Mutual Funds	37	0.0009
5	Venture Capital Funds	-	-
6	NRI's and OCB	42019	1.015
7	Clearing Member	1229	0.0297
	<b>TOTAL</b>	<b>4139902</b>	<b>100</b>

### c. Top ten equity Shareholders of the Company as on March 31, 2022: (other than promoters)

Sr. No	Name of the Shareholders	No. of Shares	% of holding
1	Nimish Shashikant Ajmera	395561	9.5548
2	Fahrenheit Fun And Games Private Limited	291666	7.0452
3	Twishal Nimish Ajmera	270705	6.5389
4	Nimish S. Ajmera HUF	44156	1.0666
5	Manojkumar Brahmbhatt	32581	0.7870
6	Tristar Metallurgical Private Limited	29963	0.7238
7	Shashikant S. Ajmera HUF	29920	0.7227
8	Chhaganlal S. Ajmera HUF	26263	0.6344
9	Natwarlal S. Ajmera HUF	24150	0.5833
10	Bandish B. Ajmera HUF	13931	0.3365



## SHREE PRECOATED STEELS LIMITED

### 7.9 Dematerialisation of Shares:

The Company's shares are compulsorily traded in dematerialised form on BSE. Equity shares of the Company representing 99.89% of the Company's equity share capital are dematerialised as on March 31, 2022. Under the Depository System, the International Securities Identification Number (ISIN) allotted to the Company's shares is **INE318K01025**.

Particulars of Shares	Equity Shares of ₹ 10/- each	
	Number	% of total Issued Capital
Dematerialized Form		
NSDL	1022416	24.7
CDSL	3112590	75.19
<b>Sub – Total (A)</b>	<b>4135006</b>	<b>99.89</b>
Physical Form	4896	0.11
<b>Sub-Total (B)</b>	<b>4896</b>	<b>0.11</b>
<b>TOTAL: (A) + (B)</b>	<b>4139902</b>	<b>100</b>

### 7.10 Address for Correspondence:

- (a) Registered Office : The Compliance Officer, 1, Ground Floor, Citi Mall, New Link Road, Andheri (West), Mumbai: - 400 053.  
Tel. No.: +91 7208182677
- (b) Exclusive e-mail id for Investor Grievances: [spsl.investors@gmail.com](mailto:spsl.investors@gmail.com)
- (c) Registrar and Transfer Agent:- Link Intime India Pvt Ltd, C-101, 247 Park, LBS Marg, Vikhroli (W), Mumbai - 400083.

### 7.11. Mandatory requirement of PAN:

SEBI vide its circular dated January 7, 2010 has made it mandatory to furnish PAN copy in the following cases:

- Deletion of name of deceased shareholder(s), where the shares are held in the name of two or more shareholders;
- Transmission of shares to the legal heir(s), where deceased shareholder was the sole holder.
- Transposition of shares – in case of change in the order of names in which physical shares are held jointly in the names of two or more shareholders.

### 7.12 Outstanding GDRs/ADRs/Warrants or any convertible instruments, conversion date and likely impact on equity:

The Company has not issued any GDRs/ADRs/Warrants or any convertible instruments in the past and hence, as on March 31, 2022, the Company does not have any outstanding GDRs/ADRs/Warrants or any convertible instruments.

### 7.13 Commodity price risk or foreign exchange risk and hedging activities:

The Company does not deal in commodities and hence the disclosure pursuant to SEBI Circular dated November 15, 2018 is not required to be given.

### 7.14 Credit Rating:

During the year under review no credit rating has been obtained by the company.

Date: August 08, 2022  
Place: Mumbai

Sd/-  
Harsh L. Mehta  
Managing Director  
(DIN:01738989)





## ANNEXURE-A

### Certificate of Non-Disqualification of Directors

[Pursuant to Regulation 34(3) and Schedule V Para C Sub clause (10)(i) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

To,  
The Members of  
**Shree Precoated Steels Limited,**  
1, Ground Floor, Citi Mall,  
Link Road, Andheri (W), Mumbai 400053

I have examined following documents for the purpose of issuing this Certificate-

- Declaration of non-disqualification as required under section 164 of the Companies Act, 2013 (“Act”); and
- Disclosure of concern and/or interests as required under section 184 of the Act

(hereinafter referred as “**the relevant documents**”) of **Shree Precoated Steels Limited**, bearing CIN: L70109MH2007PLC174206, having its registered office at 1, Ground Floor, Citi Mall, Link Road, Andheri (W) Mumbai 400053 (hereinafter referred as “**the Company**”) to the Board of Directors of the Company (“the Board”) for the **Financial Year 2021-22** and relevant registers, records, forms and returns maintained by the Company and as made available for the purpose of issuing this Certificate in accordance with Regulation 34(3) read with Schedule V Para C Clause 10(i) of SEBI (LODR) Regulations, 2015. I have considered non-disqualification to include non-debarment by Regulatory/ Statutory Authorities.

It is the responsibility of Directors to submit relevant documents with complete and accurate information in accordance with the provisions of the Act and 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 based on verification.

Based on the verification and examination of aforesaid documents including Directors Identification Number (DIN) status at the Ministry of Corporate Affairs (MCA) portal [www.mca.gov.in](http://www.mca.gov.in) and the List of disqualified Directors published by the MCA, in my opinion and to the best of my information and knowledge and according to the explanations provided by the Company, its officers and authorized representatives, I hereby certify that during the Financial Year ended 31<sup>st</sup> March 2022, none of the Directors on the Board of the Company, as listed hereunder have been debarred or disqualified from being appointed or continuing to act as Directors of Companies by Securities and Exchange Board of India/ MCA or any such statutory authority.

Sr. no.	Name of the Directors	DIN	Date of appointment*
1	Mr. Harsh Mehta	01738989	24/05/2016
2	Mr. Nilesh Harshadrai Sarvaiya	00799636	30/01/2010
3	Mr. Ambalal Chhitabhai Patel	00037870	30/04/2009
4	Mrs. Aarti Mahesh Ramani	06941013	12/08/2014

\*the date of appointment is as per the MCA Portal

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.

This Certificate has been issued at the request of the Company to make disclosure in its Corporate Governance Report of the Financial Year ended March 31, 2022.

Sd/-

**Haresh Sanghvi**  
Practicing Company Secretary  
FCS No.: 2259/CoP No.: 3675  
UDIN: F002259D000725564

Place: Mumbai  
Date: 8<sup>th</sup> August, 2022



## SHREE PRECOATED STEELS LIMITED

### DECLARATION REGARDING COMPLIANCE BY BOARD MEMBERS AND SENIOR MANAGEMENT PERSONNEL WITH THE COMPANY'S CODE OF CONDUCT AS PER SEBI (LISTING OBLIGATION AND DISCLOSURE REQUIREMENTS), REGULATION, 2015

This is to confirm that the Company has adopted a Code of Conduct for its employees including the Managing Director. In addition, the Company has adopted a Code of Conduct for its Non-Executive Directors including the code for Independent Directors. These Codes are available on the Company's website.

I confirm that the Company has in respect of the year ended March 31, 2022, received from the members of the Board and Senior Management Personnel of the Company, a declaration of compliance with the Code of Conduct as applicable to them.

For the purpose of this declaration, Senior Management Personnel means the Chief Financial Officer, Asst. Company Secretary as on March 31, 2022.

**Date: August 08, 2022**  
**Place: Mumbai**

**Sd/-**  
**Harsh L. Mehta**  
**Managing Director**  
**(DIN:01738989)**

### MD & CFO CERTIFICATION

(Pursuant to Regulation 17 & Part B of Schedule II of SEBI (LODR) Regulations, 2015)

#### We hereby certify that:

- a. We have reviewed the financial statements and the cash flow statement for the financial year 2021-22 and that to the best of our knowledge and belief:
  - These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - These statements together present a true and fair view of the companies affairs and are in compliance with existing accounting standards, applicable laws and regulations;
- b. To the best of our knowledge and belief, there are no transactions entered into by the company during the financial year 2021-22 which are fraudulent, illegal or violative of the companies code of conduct;
- c. We accept responsibility for establishing and maintaining internal controls over financial reporting and that we have evaluated the effectiveness of the internal control systems of the company and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of the internal control, if any, of which we are aware of and the steps we have taken or propose to take to rectify these deficiencies. In our opinion, there are adequate internal controls over financial reporting.
- d. We have indicated to the Auditors and the Audit Committee –
  - Significant changes in internal control over the financial reporting during the financial year 2021-22.
  - Significant changes in accounting policies during the year 2021-22 and that the same have been disclosed in the notes to financial statements; and
  - There was no fraud of which we become aware of the management or an employee having a significant role in the company's internal control system over the financial reporting.

**Sd/-**  
**Harsh L. Mehta**  
**Managing Director**  
**Place: Mumbai**  
**Date: August 8, 2022**

**Sd/-**  
**Suresh N. Pitale**  
**Chief Financial Officer**  
**Place: Mumbai**  
**Date: August 8, 2022**



## INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH THE CONDITIONS OF CORPORATE GOVERNANCE

The Members,

### **SHREE PRECOATED STEELS LIMITED**

1. The Corporate Governance Report prepared by **SHREE PRECOATED STEELS LIMITED** (herein after the "Company"), contains details as specified in regulations 17 to 27, clauses (b) to (i) of sub – regulation (2) of regulation 46 and para C, D, and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("the Listing Regulations") ('Applicable criteria') for the year ended March 31, 2022 as required by the Company for annual submission to the Stock exchange and to be sent to the Stakeholders of the Company.

#### **Management's Responsibility**

2. The preparation of the Corporate Governance Report is the responsibility of the Management of the Company including the preparation and maintenance of all relevant supporting records and documents. This responsibility also includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the Corporate Governance Report.
3. The Management along with the Board of Directors are also responsible for ensuring that the Company complies with the conditions of Corporate Governance as stipulated in the Listing Regulations, issued by the Securities and Exchange Board of India.

#### **Auditor's Responsibility**

4. Our responsibility is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring compliance with the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
5. We have examined the books of account and other relevant records and documents maintained by the Company for the purposes of providing reasonable assurance on the compliance with Corporate Governance requirements by the Company.
6. We have carried out an examination of the relevant records of the Company in accordance with the Guidance Note on Certification of Corporate Governance issued by the Institute of the Chartered Accountants of India (the ICAI), the Standards on Auditing specified under Section 143(10) of the Companies Act 2013, in so far as applicable for the purpose of this certificate and as per the Guidance Note on Reports or Certificates for Special Purposes issued by the ICAI which requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
7. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

#### **Opinion**

8. Based on our examination of the relevant records and according to the information and explanations provided to us and the representations provided by the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C and D of Schedule V of the Listing Regulations during the year ended 31st March, 2022.
9. 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 MANESH MEHTA & ASSOCIATES  
CHARTERED ACCOUNTANTS  
FIRM REGN NO. 115832W**

**MANESH P MEHTA  
PARTNER**

**MEMBERSHIP NO. 36032  
UDIN: - 22036032AJGLSJ7424**

**PLACE : MUMBAI  
DATED : 19TH MAY, 2022**

Notice

Director's Report

Corporate Governance Report

Financial Statements



## INDEPENDENT AUDITOR'S REPORT

**The Members,**

**SHREE PRECOATED STEELS LIMITED**

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

### **Opinion**

We have audited the accompanying financial statements of **SHREE PRECOATED STEELS LIMITED** ("the Company"), which comprise the Balance Sheet as at March 31, 2022, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards specified under Section 133 of the Act and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31<sup>st</sup> March, 2022 and its loss, total comprehensive income, changes in equity and its cash flows for the year ended on that date.

### **Basis for Opinion**

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

### **Material Uncertainty Related to Going Concern:**

We draw attention to the Note no. 32a of the accompanied financial Statements, regarding preparation of financial statements on going concern

basis. The Company's net worth is negative and it indicates that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. The appropriateness of the assumption of the going concern is dependent on the Company's ability to raise finance and generate cash flows in future to meet its obligation. However, the Annual financial statements have been prepared on "going concern" basis for the reasons stated in aforesaid note.

Our conclusion is not modified in respect of this matter.

### **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 period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

1. The Company has material matters under dispute which involves significant judgement to determine the possible outcome of these disputes (Refer Note No. 23 to the Financial Statements). We obtained the details of the disputes with their present status and documents. We made an in-depth analysis of the disputes. We also considered legal procedures and other rulings in evaluating management's position on these disputes to evaluate whether any change was required to management's position on these disputes.

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

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, but does not include the financial statements and our auditor's report thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other



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

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

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

The Company's Board of Directors is responsible for the matters in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified under Section 133 of the Act. This responsibility also includes the maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding of the assets of the Company and for preventing and detecting the 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 internal financial control, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

### **Auditor's Responsibility for the Audit of the Financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee

that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.



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

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

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

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

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

### **Report on Other Legal and Regulatory Requirements**

- 1 As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government in terms of sub-section (11) of section 143 of the act, we give in "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.
- 2 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 appears from our examination of those books.
- c) The Balance Sheet, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the relevant books of account.
- d) in our opinion, the aforesaid financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e) On the basis of written representations received from the directors as on 31<sup>ST</sup> March, 2022, taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>ST</sup> March, 2022, 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". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
- g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rule, 2014, in our



opinion and to the best of our information and according to the explanations given to us :

- i. The Company has disclosed the impact of pending litigations, if any, on its financial position in its financial statements.
- ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.
- iii. There has been no delay in transferring amounts, if any, required to be transferred, to the Investor Education and Protection Fund by the Company.
- iv. (a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity (“Intermediaries”), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- (b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- (c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
- v. During the year, the company has not declared / paid dividend.

**FOR MANESH MEHTA & ASSOCIATES**  
 CHARTERED ACCOUNTANTS  
 FIRM REGN NO. 115832W

**MANESH P MEHTA PARTNER**  
 MEMBERSHIP NO. 36032  
 UDIN:- 22036032AJGLPE1958

PLACE : MUMBAI,  
 DATED : 19<sup>TH</sup> MAY, 2022



## ANNEXURE-A to the Auditor's Report

The Annexure referred to in Independent Auditor's Report to the members of the Company on the Ind AS financial statements for the year ended 31<sup>st</sup> March, 2022, we report that:

To the best of our information and according to the explanations provided to us by the Company and the books of account and records examined by us in the normal course of audit, we state that:

- (i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment and relevant details of right-of-use assets.  
(B) The Company does not have any intangible assets.
- (b) These Property, Plant and Equipment have been physically verified by the management at reasonable intervals. Discrepancies noticed (if any) during the course of such verification are dealt with adequately in the books of accounts.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, title deeds of immovable properties are held in the name of the company.
- (d) The Company has not revalued any of its Property, Plant and Equipment (including right-of-use assets) and intangible assets during the year.
- (e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2022 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- (ii) (a) During the year, the Company does not have any inventory and hence reporting under clause 3(ii)(a) of the Order is not applicable.
- (b) The Company has not been sanctioned working capital limits in excess of ₹ 5 crore, in aggregate, at any points of time during the year, from banks or financial institutions on the basis of security of current assets and hence reporting under clause 3(ii)(b) of the Order is not applicable.
- (iii) The Company has not made any investments and not provided any guarantee or security or granted any advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties during the year. Hence reporting under clause 3(iii)(a) to (f) of the Order is not applicable.
- (iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Act, with respect to the loans and investments made.
- (v) The Company has not accepted any deposit or amounts which are deemed to be deposits. Hence, reporting under clause 3(v) of the Order is not applicable.
- (vi) The maintenance of cost records has not been specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013 for the business activities carried out by the Company. Hence, reporting under clause (vi) of the Order is not applicable to the Company.
- (vii) In respect of statutory dues:
  - a. In our opinion, the Company has generally been regular in depositing undisputed statutory dues, including Goods and Services tax, Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, duty of Custom, duty of Excise, Value Added Tax, Cess and other material statutory dues applicable to it with the appropriate authorities.  
  
There were no undisputed amounts payable in respect of Goods and Service tax, Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, duty of Custom, duty of Excise, Value Added Tax, Cess and other material statutory dues in arrears as at March 31, 2022 for a period of more than six months from the date they became payable.
  - b. Details of statutory dues referred to in sub-clause (a) above which have not been deposited as on March 31, 2022 on account of disputes are given below:





Name of the statute	Nature of dues	Amount (in Lakhs)	Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	Block Assessment Demand	1639.38	A.Y.1988-89 to 1992-93	Hon'ble High Court, Mumbai
Service Tax	Input Service Tax Credit	7.00	FY 2007-2008	Custom Excise & Service Tax Appellate Tribunal

- (viii) There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).
- (ix) (a) In our opinion and according to information and explanation given to us, the Company has not defaulted in repayment of loans or borrowing to a financial institution, bank, Government or dues to debenture holders.
- (b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- (c) The Company has not taken any term loan during the year and there are no outstanding term loans at the beginning of the year and hence, reporting under clause 3(ix)(c) of the Order is not applicable.
- (d) On an overall examination of the financial statements of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.
- (e) The Company does not have any subsidiaries, associates or joint ventures hence, reporting under clause 3(ix)(e) of the Order is not applicable.
- (f) The Company does not have any subsidiaries, associates or joint ventures hence, reporting under clause 3(ix)(f) of the Order is not applicable.
- (x) (a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable.
- (b) During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause 3(x)(b) of the Order is not applicable.
- (xi) (a) No fraud by the Company and no material fraud on the Company has been noticed or reported during the year.
- (b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.
- (c) We have taken into consideration the whistle blower complaints received by the Company during the year (and upto the date of this report), while determining the nature, timing and extent of our audit procedures.
- (xii) The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.
- (xiii) In our opinion, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 with respect to applicable transactions with the related parties and the details of related party transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- (xiv) (a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.
- (b) We have considered, the internal audit reports for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.
- (xv) In our opinion during the year the Company has not entered into any non-cash transactions with its Directors or persons connected with its directors. and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.
- (xvi) (a) In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi)(a), (b) and (c) of the Order is not applicable.
- (b) In our opinion, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3(xvi)(d) of the Order is not applicable.



## SHREE PRECOATED STEELS LIMITED

(xvii) The Company has incurred cash losses of Rs. 49.55 Lakhs during the financial year covered by our audit and the has not incurred any loss in preceding financial year.

(xviii) There has been no resignation of the statutory auditors of the Company during the year.

(xix) On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the

facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

(xx) The provision of Section 135 of the Companies Act, 2013 with respect to Corporate Social Responsibility (CSR) are not applicable to the Company. Hence, reporting under clause 3(xx) (a) and (b) of the Order is not applicable.

**FOR MANESH MEHTA & ASSOCIATES**

CHARTERED ACCOUNTANTS

FIRM REGN NO. 115832W

**MANESH P MEHTA PARTNER**

MEMBERSHIP NO. 36032

UDIN:- 22036032AJGLPE1958

PLACE : MUMBAI

DATED : 19<sup>TH</sup> MAY, 2022



## Annexure - B to the Auditors' Report

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

We have audited the internal financial controls over financial reporting of **SHREE PRECOATED STEELS LIMITED** ("the company") as of 31<sup>st</sup> March 2022 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

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

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

#### Auditors' Responsibility

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

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

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

#### Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with 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 financial statements.

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

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are



## SHREE PRECOATED STEELS LIMITED

subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

### **Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31<sup>st</sup> March 2022, based on the internal control over financial reporting criteria established by the Company considering

the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**FOR MANESH MEHTA & ASSOCIATES**  
CHARTERED ACCOUNTANTS  
FIRM REGN NO. 115832W

**MANESH P MEHTA PARTNER**  
MEMBERSHIP NO. 36032  
UDIN:-22036032AJGLPE1958

PLACE : MUMBAI.

DATED : 19<sup>TH</sup> MAY, 2022



## BALANCE SHEET AS AT 31ST MARCH 2022

(₹ in Lakhs)

Particulars	Note No.	As at 31st March, 2022	As at 31st March, 2021
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
Property, Plant And Equipment	3	3.45	3.45
<b>Financial Assets</b>			
Trade Receivables	4	123.38	123.38
Loans	5	0.51	0.51
<b>Others Financial Assets</b>			
Other Non-Current Assets	6	360.03	362.71
<b>Total Non-Current Assets</b>		<b>487.37</b>	<b>490.05</b>
<b>Current Assets</b>			
<b>Financial Assets</b>			
Cash And Cash Equivalents	7	4.00	2.92
Other Financial Assets	8	3.82	0.59
Current Tax Assets (Net)	9	47.28	47.28
Other Current Assets	10	-	1.76
<b>Total Current Assets</b>		<b>55.10</b>	<b>52.55</b>
<b>TOTAL ASSETS</b>		<b>542.47</b>	<b>542.60</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity Share Capital	11	413.99	413.99
Other Equity	12	(457.56)	(407.91)
<b>Liabilities</b>			
<b>Non-Current Liabilities</b>			
<b>Financial Liabilities</b>			
Trade Payables	13	-	-
Dues to Micro and Small Enterprises		-	-
Dues to creditors other than Micro and Small Enterprises		266.93	266.93
Provisions	14	106.53	105.07
<b>Total Non Current Liabilities</b>		<b>329.89</b>	<b>378.08</b>
<b>Current Liabilities</b>			
<b>Financial Liabilities</b>			
Trade Payables	15	-	-
Dues to Micro and Small Enterprises		-	-
Dues to creditors other than Micro and Small Enterprises		1.34	0.55
Other Financial Liabilities	16	210.72	161.93
Other Current Liabilities	17	0.41	0.24
Provisions	18	0.11	1.80
<b>Total Current Liabilities</b>		<b>212.58</b>	<b>164.53</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>542.47</b>	<b>542.60</b>
Significant Accounting Policies and notes to the Financial Statements	2		

As per our report of even date  
For **MANESH MEHTA & ASSOCIATES**  
Chartered Accountants  
Firm Reg. No. 115832W

**MANESH MEHTA**  
PARTNER  
Membership No. 36032  
UDIN:22036032AJGLPE1958

Place : Vadodara  
Dated : 19th May 2022

For & on behalf of Board Of Directors of  
**SHREE PRECOATED STEELS LIMITED**

**A. C. PATEL**  
CHAIRMAN  
DIN:00037870

**SURESH N. PITALE**  
CHIEF FINANCIAL OFFICER

Place : Mumbai  
Dated : 19th May 2022

**HARSH L MEHTA**  
MANAGING DIRECTOR  
DIN:01738989

**DIVYA Y HISARIA**  
COMPANY SECRETARY

Notice

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Report

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# SHREE PRECOATED STEELS LIMITED

## STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2022

(₹ in Lakhs)

Particulars	Note No.	Year ended 31st March, 2022	Year ended 31st March, 2021
Other Income	19	-	55.00
<b>Total Income</b>		<b>-</b>	<b>55.00</b>
<b>EXPENSES</b>			
Employee Benefit Expenses	20	28.38	21.68
Other Expenses	21	21.17	25.91
<b>Total Expenses</b>		<b>49.55</b>	<b>47.59</b>
<b>Profit/(Loss) Before Exceptional Items And Tax</b>		<b>(49.55)</b>	<b>7.41</b>
Exceptional Items		-	-
<b>Profit/(Loss) Before Tax Expenses</b>		<b>(49.55)</b>	<b>7.41</b>
<b>Tax Expenses:</b>			
(1)Current Tax		-	-
(2)Deferred Tax		-	-
<b>Profit/(Loss) for the year</b>		<b>(49.55)</b>	<b>7.41</b>
<b>Other Comprehensive Income:</b>			
Gain on Fair Value of defined benefit plans As per actuarial valuation		(0.10)	3.40
<b>Total Comprehensive Income for the year (Comprising Profit/ (Loss) and Other Comprehensive Income for the year</b>		<b>(49.65)</b>	<b>10.81</b>
<b>Earnings per equity share of Nominal Value Rs.10/-:</b>	22		
(1)Basic in Rupees		(1.20)	0.26
(2)Diluted in Rupees		(1.20)	0.26
Significant Accounting policies and notes to the Financial Statements	2		

As per our report of even date  
**For MANESH MEHTA & ASSOCIATES**  
Chartered Accountants  
Firm Reg. No. 115832W

For & on behalf of Board Of Directors of  
**SHREE PRECOATED STEELS LIMITED**

**MANESH MEHTA**  
PARTNER  
Membership No. 36032  
UDIN:22036032AJGLPE1958

**A. C. PATEL**  
CHAIRMAN  
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**HARSH L MEHTA**  
MANAGING DIRECTOR  
DIN:01738989

**SURESH N. PITALE**  
CHIEF FINANCIAL OFFICER

**DIVYA Y HISARIA**  
COMPANY SECRETARY

Place : Vadodara  
Dated : 19th May 2022

Place : Mumbai  
Dated : 19th May 2022



## STATEMENT OF CHANGES IN EQUITY

(₹ in Lakhs)

## (a) EQUITY SHARE CAPITAL

	Note	As at			
		31st March 2022		31st March 2021	
		No. of shares	Amount	No. of shares	Amount
Balance at the beginning of reporting period	11	4,139,902	413.99	4,139,902	413.99
<b>Balance at the end of the reporting period</b>	<b>11</b>	<b>4,139,902</b>	<b>413.99</b>	<b>4,139,902</b>	<b>413.99</b>

## (b) OTHER EQUITY

		Reserves and Surplus				Total
		Capital Reserve	Securities Premium	General Reserve	Surplus/ (deficit) in the statement of profit and loss	
<b>Balance as at April 1, 2020</b>		-	-	-	(418.72)	(418.72)
<b>Add:</b>					-	-
Transfer from Profit & Loss					-	-
Profit for the Year		-	-	-	10.81	10.81
<b>Balance as at 31st March 2021</b>	<b>12</b>	-	-	-	<b>(407.91)</b>	<b>(407.91)</b>
<b>Add:</b>						
Transfer from Profit & Loss						-
Profit for the Year		-	-	-	(49.65)	(49.65)
<b>Balance as at 31st March 2022</b>	<b>12</b>	-	-	-	<b>(457.56)</b>	<b>(457.56)</b>

As per our report of even date  
For **MANESH MEHTA & ASSOCIATES**  
Chartered Accountants  
Firm Reg. No. 115832W

**MANESH MEHTA**  
PARTNER  
Membership No. 36032  
UDIN:22036032AJGLPE1958

Place : Vadodara  
Dated : 19th May 2022

For & on behalf of Board Of Directors of  
**SHREE PRECOATED STEELS LIMITED**

**A. C. PATEL**  
CHAIRMAN  
DIN:00037870

**SURESH N. PITALE**  
CHIEF FINANCIAL OFFICER

Place : Mumbai  
Dated : 19th May 2022

**HARSH L MEHTA**  
MANAGING DIRECTOR  
DIN:01738989

**DIVYA Y HISARIA**  
COMPANY SECRETARY



# SHREE PRECOATED STEELS LIMITED

## CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2022

(₹ in Lakhs)

Particulars	Year ended 31st March, 2022	Year ended 31st March, 2021
<b>Cash Flow From Operating Activities:</b>		
<b>Profit/(Loss) before tax as per Statement of Profit and Loss</b>	(49.65)	10.81
<b>Adjustments for:</b>		
Depreciation and amortisation	-	-
Interest Income(including fair value change in financial instruments)	-	-
Interest expenses(including fair value change in financial instruments)	-	-
Re-Measurement gains/(losses)on defined benefit plans	-	-
Dividend Income	-	-
Loss / (profit) on sale of investments (net)	-	-
Loss / (gain) from foregin exchange fluctuation (net)	-	-
(Gain) / Loss on sale / discarding of investment properties (net)	-	-
(Gain) / Loss on sale / discarding of property, plant and equipment (net)	-	-
Sundry balances written off / (back)	-	-
<b>Operating Profit/(Loss) before working capital changes</b>	<b>(49.65)</b>	<b>10.81</b>
<b>Movements in working capital:</b>		
Increase/(decrease) in trade payables	0.79	(0.72)
Increase/(decrease) in Other Liabilities	48.95	47.21
Increase/(decrease) in provisions	(0.24)	(60.37)
Increase/(decrease) in loans and advances	-	-
Decrease/(increase) in trade receivables	-	0.08
Decrease/(increase) in inventories	-	-
<b>Cash generated from/(used in) operating activities</b>	<b>(0.14)</b>	<b>(2.99)</b>
Direct taxes paid	-	-
<b>Net cash flow from/(used in) operating activities (A)</b>	<b>(0.14)</b>	<b>(2.99)</b>
<b>Cash flow from Investing activities:</b>		
(Acquisition) / (adjustments) / sale of property , plant and equipment, investment properties, intangible assets / addition to capital work in progress (net)	-	-
(Increase) / decrease in other assets	1.22	1.51
<b>Net cash flow from/(used in) investing activities (B)</b>	<b>1.22</b>	<b>1.51</b>
<b>Cash flow from financing activities:</b>		
Repayment of borrowings	-	-
Interest paid	-	-
Dividend paid (including dividend distribution tax)	-	-
<b>Net cash flow from/(used in) financing activities (C)</b>	<b>-</b>	<b>-</b>
<b>Net increase/(decrease) in cash and cash equivalents (A) + (B) + ( C)</b>	<b>1.08</b>	<b>(1.48)</b>
Add: Cash and cash equivalents at the beginning of the year	2.92	4.40
<b>Cash and cash equivalents at the end of the year</b>	<b>4.00</b>	<b>2.92</b>
Significant Accounting Policies and notes to the Financial Statements	2	

As per our report of even date  
**For MANESH MEHTA & ASSOCIATES**  
**Chartered Accountants**  
**Firm Reg. No. 115832W**

**MANESH MEHTA**  
**PARTNER**  
**Membership No. 36032**  
**UDIN:22036032AJGLPE1958**

**Place : Vadodara**  
**Dated : 19th May 2022**

For & on behalf of Board Of Directors of  
**SHREE PRECOATED STEELS LIMITED**

**A. C. PATEL**  
**CHAIRMAN**  
**DIN:00037870**

**SURESH N. PITALE**  
**CHIEF FINANCIAL OFFICER**

**Place : Mumbai**  
**Dated : 19th May 2022**

**HARSH L MEHTA**  
**MANAGING DIRECOR**  
**DIN:01738989**

**DIVYA Y HISARIA**  
**COMPANY SECRETARY**





## NOTES TO ACCOUNTS

### 1. Corporate Information

Shree Precoated Steels Limited is a public company domiciled in India and incorporated under the provisions of the Companies Act, 1956. Its shares are listed on one stock exchanges in India. The company engaged in the Manufacturing, Processing, Trading of Steel Products and Real Estate business.

### 2. Significant Accounting Policy

#### 2.1 Basis of preparation

The financial statements of the Company have been prepared in accordance with the Indian Accounting Standards as notified under section 133 of The Companies Act, 2013 Read with rule 3 of the Companies (Indian Accounting Standards) Rules 2015 by Ministry of Corporate Affairs ('MCA') as amended by the Companies (Indian Accounting Standards) rules, 2016.

The financial statements have been prepared on a historical cost basis, except for certain financial instruments which are measured at fair values at the end of each reporting period as explained in Accounting Policies below.

#### 2.2 Current and Non Current Classification

An asset/liabilities is classified as current when it satisfies any of the following criteria :

- i. It is expected to be realized/ settled, or is intended for sale or consumption, In the companies normal operating cycle or
- ii. It is held primarily for the purpose of being traded or
- iii. It is expected to be realized/ due to be settled within 12 months after the reporting date or
- iv. It is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date or
- v. The company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

All other assets and liabilities are classified as non current

#### 2.3 Plant, Property and Equipment

##### Recognition and initial measurement

Property, plant and equipment are stated at their cost of acquisition. The cost comprises purchase price, borrowing cost if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the

intended use. Any trade discount and rebates are deducted in arriving at the purchase price. Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company. All other repair and maintenance costs are recognized instatement of profit or loss as incurred.

##### Subsequent measurement (depreciation and useful lives)

Property, plant and equipment are subsequently measured at cost less accumulated depreciation and impairment losses. Depreciation on property, plant and equipment is provided on a straight-line basis, computed on the basis of useful lives (asset-out below) prescribed in Schedule II to the Act:

Asset Category	Estimated Useful Life
Plant & Equipments	15 Years
Furniture & fixtures	10 Years
Vehicles	8 Years
Office equipments	5 Years
Computer Hardware	3 Years

The residual values, useful lives and method of depreciation are reviewed at the end of each financial year.

##### De-recognition

An item of property, plant and equipment and any significant part initially recognized is de-recognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is recognized in the statement of profit and loss, when the asset is de-recognized.

#### 2.4 Intangible Assets

##### Recognition and initial measurement

Intangible assets are stated at their cost of acquisition. The cost comprises purchase price, borrowing cost, if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use.

##### Subsequent measurement (amortisation)

The cost of capitalized software is amortized over a period of 6 years from the date of its acquisition.



## 2.5 Borrowing cost

Borrowing costs directly attributable to the acquisition and/or construction of a qualifying asset are capitalized during the period of time that is necessary to complete and prepare the asset for its intended use or sale. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. All other borrowing costs are charged to the statement of profit and loss as incurred.

## 2.6 Investments

### Investment in equity instruments of subsidiaries, joint ventures and associates

Investment in equity instruments of subsidiaries, joint ventures and associates are stated at cost as per Ind AS 27 'Separate Financial Statements'

## 2.7 Inventories:

Direct expenditure relating to construction activity is inventorised. Other expenditure (including borrowing costs) during construction period is inventorised to the extent the expenditure is directly attributable cost of bringing the asset to its working condition for its intended use. Other expenditure (including borrowing costs) incurred during the construction period which is not directly attributable for bringing the asset to its working condition for its intended use is charged to the statement of profit and loss. Direct and other expenditure is determined based on specific identification to the construction and real estate activity. Cost incurred/items purchased specifically for projects are taken as consumed as and when incurred/ received.

**Work-in-progress** - Contractual: Cost of work yet to be certified/ billed, as it pertains to contract costs that relate to future activity on the contract, are recognised as contract work-in-progress provided it is probable that they will be recovered. Contractual work-in-progress is valued at lower of cost and net realisable value.

**Work-in-progress** - Real estate projects (including land inventory): Represents cost incurred in respect of unsold area of the real estate development projects or cost incurred on projects where the revenue is yet to be recognised. Real estate work-in-progress is valued at lower of cost and net realisable value.

**Finished goods** - Flats: Valued at lower of cost and net realisable value.

Building materials purchased, not identified with any specific project are valued at lower of cost and net realisable value. Cost is determined based on a weighted average basis.

**Land inventory:** Valued at lower of cost and net realisable value.

## 2.8 Revenue Recognition

Effective April 1, 2018, the company has applied Ind AS 115 which establishes a comprehensive framework for determining whether, how much and when revenue is to be recognised. Ind AS 115 replaces Ind AS 18 Revenue and Ind AS 11 Construction Contracts.

The company has adopted Ind AS 115 using the cumulative effect method. The effect of initially applying this standard is recognised at the date of initial application (i.e. April 1, 2018). The standard is applied retrospectively only to contracts that are not completed as at the date of initial application. The impact of adoption of the standard on the financial statements of the company is insignificant.

Revenue is recognised upon transfer of control of promised inventory to customers in an amount that reflects the consideration which the company expects to receive in exchange. Revenue is recognised over the period of time when control is transferred to the customer on satisfaction of performance obligation, based on contracts with customers.

Revenue is measured based on the transaction price, which is the consideration, adjusted for discounts, price concessions, incentives, if any, as specified in the contracts with the customers. Revenue excludes taxes collected from customers on behalf of the government.

i. Revenue from Real estate projects is recognized when it is reasonably certain that the ultimate collection will be made and that there is buyers commitment to make the complete payment.

Revenue from real estate under development is recognized upon transfer of all significant risks and rewards of ownership of such real estate, as per the terms of the contracts entered into with buyers, which generally coincides with the firming of the sales contracts/ agreement, except for the contracts where the company still has obligations to perform substantial acts even after the transfer of all significant risks and rewards. In such cases, the revenue is recognized on percentage of completion method, when the stage of completion of each project reaches a reasonable level of progress. The revenue is recognized in proportion that the contract cost incurred for work performed up to the reporting date bear to the estimated total contract cost.



Revenue from real estate projects including revenue from sale of undivided share of land [group housing] is recognised upon transfer of all significant risks and rewards of ownership of such real estate/ property, as per the terms of the contracts entered into with buyers, which generally coincides with the firming of the sales contracts/ agreements.

When the outcome of a real estate project can be estimated reliably and the conditions above are satisfied, project revenue (including from sale of undivided share of land) and project costs associated with the real estate project should be recognised as revenue and expenses by reference to the stage of completion of the project activity at the reporting date arrived at with reference to the entire project costs incurred (including land costs). Revenue is recognized on execution of either an agreement or a letter of allotment

#### ii. Interest Income

Interest income is recognized on a time proportion basis taking into account the amount outstanding and the applicable interest rate. Interest income is included under the head “other income” in the statement of profit and loss.

#### iii. Dividend Income

Dividend income is recognized with the company's right to receive dividend is established by the reporting date.

#### iv. Other Income

Other Income is accounted on accrual basis.

### 2.9 Unbilled Revenue

Revenue recognized based on policy on revenue, over and above the amount due as per the payment plans agreed with the customers.

### 2.10 Cost of revenue

Cost of constructed properties includes cost of land (including cost of development rights/land under agreements to purchase), estimated internal development costs, external development charges, borrowing costs, overheads, construction costs and development/construction materials, which is charged to the statement of profit and loss based on the revenue recognized as explained in accounting policy for revenue from real estate projects above, in consonance with the concept of matching costs and revenue. Final adjustment is made on completion of the specific project.

### 2.11 Foreign Currency Transactions

#### Functional and Presentation Currency

The financial statements are presented in Indian Rupees (Rs.) which is also the functional and presentation currency of the Company.

#### Transactions and balances

Foreign currency transactions are recorded in the functional currency, by applying the exchange rate between the functional currency and the foreign currency at the date of the transaction.

Foreign currency monetary items outstanding at the balance sheet date are converted to functional currency using the closing rate. Non-monetary items denominated in a foreign currency which are carried at historical cost are reported using the exchange rate at the date of the transactions.

Exchange differences arising on monetary items on settlement, or restatement as at reporting date, at rates different from those at which they were initially recorded, are recognized in the statement of profit and loss in the year in which they arise.

### 2.12 Employee Benefit Expenses

#### Provident Fund

The Company makes contribution to statutory provident funding accordance with the Employees' Provident Funds and Miscellaneous Provisions Act, 1952.

#### Gratuity

Gratuity is a post-employment benefit and is in the nature of a defined benefit plan. The liability recognized in the balance sheet in respect of gratuity is the present value of the defined benefit/obligation at the balance sheet date, together with adjustments for unrecognized actuarial gains or losses and past service costs. The defined benefit/obligation is calculated at or near the balance sheet date by an independent actuary using the projected unit credit method. This is based on standard rates of inflation, salary growth rate and mortality. Discount factors are determined close to each year-end by reference to market yields on government bonds that have terms to maturity approximating the terms of the related liability. Service cost on the Company's defined benefit plan is included in employee benefits expense. Net interest expense on the net defined benefit liability is included in finance costs. Actuarial gains/losses resulting from re-measurements of the liability are included in other comprehensive income.



## Other long-term employee benefits

Liability in respect of compensated absences becoming due or expected to be availed within one year from the balance sheet date is recognized on the basis of discounted value of estimated amount required to be paid or estimated value of benefit expected to be availed by the employees. Liability in respect of compensated absences becoming due or expected to be availed more than one year after the balance sheet date is estimated on the basis of an actuarial valuation performed by an independent actuary using the projected unit credit method.

Actuarial gains and losses arising from past experience and changes in actuarial assumptions are charged to statement of profit and loss in the year in which such gains or losses are determined.

## Short-term employee benefits

Accumulated leave, which is expected to be utilized within the next 12 months, is treated as short – term employee benefit. The company measures the expected cost of such absences as the additional amount that is except to pay as a result of the unused entitlement that has accumulated at the reporting date.

## 2.13 Taxation

Tax expense recognized in statement of profit and loss comprises the sum of deferred tax and current tax except the ones recognized in other comprehensive income or directly in equity.

Current tax is determined as the tax payable in respect of taxable income for the year and is computed in accordance with relevant tax regulations. Current income tax relating to items recognized outside profit or loss is recognized outside profit or loss (either in other comprehensive income or in equity).

Minimum alternate tax ('MAT') credit entitlement is recognized as an asset only when and to the extent there is convincing evidence that normal income tax will be paid during the Specified period. In the year in which MAT credit becomes eligible to be recognized as an asset, the said asset is created by way of a credit to the statement of profit and loss and shown as MAT credit entitlement. This is reviewed at each balance sheet date and the carrying amount of MAT credit entitlement is written down to the extent it is not reasonably certain that normal income tax will be paid during the specified period.

Deferred tax is recognized in respect of temporary differences between carrying amount of assets and liabilities for financial reporting purposes and corresponding amount used for Taxation purposes. Deferred tax assets on unrealised tax loss are recognized to the extent that it is probable that the underlying tax loss will be utilised against future taxable income. This is assessed based on the Company's forecast of future operating results, adjusted for significant on-taxable income and expenses and specific limits on the use of any unused tax loss. Unrecognized deferred tax assets are re-assessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date. Deferred tax relating to items recognized outside statement of profit and loss is recognized outside statement of profit or loss (either in other comprehensive income or in equity).

## 2.14 Impairment of non-financial assets

At each reporting date, the Company assesses whether there is any indication based on internal/external factors, that an asset may be impaired. If any such indication exists, the recoverable amount of the asset or the cash generating unit is estimated. If such recoverable amount of the asset or cash generating unit to which the asset belongs is less than its carrying amount. The carrying amount is reduced to its recoverable amount and the reduction is treated as an impairment loss and is recognized in the statement of profit and loss. If, at the reporting date, there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount. Impairment losses previously recognized are accordingly reversed in the statement of profit and loss.

## 2.15 Impairment of financial assets

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss for financial assets.

ECL is the weighted-average of difference between all contractual cash flows that are due to the Company in accordance with the contract



and all the cash flows that the Company expects to receive, discounted at the original effective interest rate, with the respective risks of default occurring as the weights. When estimating the cash flows, the Company is required to consider:

All contractual terms of the financial assets (including prepayment and extension) over the expected life of the assets.

Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

### 2.16 Trade Receivables

In respect of trade receivables, the Company applies the simplified approach of Ind AS 109, which requires measurement of loss allowance at an amount equal to lifetime expected credit losses. Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of a financial instrument.

### 2.17 Other financial assets

In respect of its other financial assets, the Company assesses if the credit risk on those financial assets has increased significantly since initial recognition. If the credit risk has not increased significantly since initial recognition, the Company measures the loss allowance at an amount equal to 12-month expected credit losses, else at an amount equal to the lifetime expected credit losses.

When making this assessment, the Company uses the change in the risk of a default occurring over the expected life of the financial asset. To make that assessment, the Company compares the risk of a default occurring on the financial asset as at the balance sheet date with the risk of a default occurring on the financial asset as at the date of initial recognition and considers reasonable and supportable information, that is available without undue cost or effort, that is indicative of significant increases in credit risk since initial recognition. The Company assumes that the credit risk on a financial asset has not increased significantly since initial recognition if the financial asset is determined to have low credit risk at the balance sheet date.

### 2.18 Cash and Cash Equivalent

Cash and cash equivalents comprise cash in hand, demand deposits and short-term highly liquid investments that are readily convertible into known amount of cash and which are subject to an insignificant risk of changes in value.

### 2.19 Provisions, contingent assets and contingent liabilities

Provisions are recognized only when there is a present obligation, as a result of past events and when a reliable estimate of the amount of obligation can be made at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates. Provisions are discounted to their present values, where the time value of money is material.

Contingent liability is disclosed for:

- Possible obligations which will be confirmed only by future events not wholly within the control of the Company or
- Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.

Contingent assets are neither recognized nor disclosed except when realisation of income is virtually certain, related asset is disclosed.

### 2.20 Leases

Ind AS 116 supersedes Ind AS 17 Leases including its appendices. The standard sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to recognise most leases on the balance sheet.

The Company has adopted Ind AS 116 using the modified retrospective method of adoption under the transitional provisions of the Standards, with the date of initial application on 1st April, 2019. The Company also elected to use the recognition exemptions for lease contracts that, at the commencement date, have a lease term of 12 months or less and do not contain a purchase option (short-term leases), and lease contracts for which the underlying asset is of low value (low-value assets). Adoption of Ind-AS 116 doesn't have any material impact on the financial statements of the Company.

The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

#### Company as a lessee

The Company applies a single recognition and measurement approach for all leases, except for short term leases and leases of low-value assets. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right-to-use the underlying assets.



## Right-of-use assets

The Company recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

If ownership of the leased asset transfers to the Company at the end of the lease term or the reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. right-of-use assets are also subject to impairment.

## Lease Liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees.

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

## Short-term leases and leases of low-value assets

The Company applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also

applies the lease of low-value assets recognition exemption to leases of offices, godowns, equipment, etc. that are of low value. Lease payments on short-term leases and leases of low value assets are recognised as expense on a straight-line basis over the lease term.

## Company as a lessor

Lessor accounting under Ind AS 116 is substantially unchanged from Ind AS 17. Lessors will continue to classify leases as either operating or finance leases using similar principles as in Ind AS 17. Therefore, Ind AS 116 does not have an impact for leases where the Company is the lessor. Leases in which the Company does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognized as revenue in the period in which they are earned.

## 2.21 Financial Instruments

### Initial recognition and measurement

Financial assets and financial liabilities are recognized when the Company becomes a party to the contractual provisions of the financial instrument and are measured initially at fair

Value adjusted for transaction costs, except for those carried at fair value through profit or loss which are measured initially at fair value.

### Subsequent measurement of Financial Assets

- i) Financial assets carried at amortised cost – a financial asset is measured at the amortised cost, if both the following conditions are met:
  - The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
  - Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method.



- ii) Investments in equity instruments of subsidiaries, joint ventures and associates – Investments in equity instruments of subsidiaries, joint ventures and associates are accounted for at cost in accordance with Ind AS 27 Separate Financial Statements.

#### De-recognition of financial assets

A financial asset is primarily de-recognized when the contractual rights to receive cash flows from the asset have expired or the Company has transferred its rights to receive cash flows from the asset.

#### Subsequent measurement of Financial Assets

Subsequent to initial recognition, all non-derivative financial liabilities are measured at amortised cost using the effective interest method.

#### De-recognition of financial liabilities

A financial liability is de-recognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the statement of profit or loss.

### 2.22 Earnings per share

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting attributable taxes) by the weighted-average number of equity shares outstanding during the period. The weighted-average number of equity shares outstanding during the period is adjusted for events including a bonus issue.

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

### 2.23 Significant management judgement in applying accounting policies and estimation uncertainty

The preparation of the Company's financial statements requires management to make judgments, estimates and assumptions that

affect the reported amounts of revenues, expenses, assets and liabilities and the related disclosures.

#### Significant management judgements

**Recognition of deferred tax assets** – The extent to which deferred tax assets can be recognized is based on an assessment of the probability of the future taxable income against which the deferred tax assets can be utilized.

**Evaluation of indicators for impairment of assets** – The evaluation of applicability of indicators of impairment of assets requires assessment of several external and internal factors which could result in deterioration of recoverable amount of the assets.

**Impairment of financial assets** – At each balance sheet date, based on historical default rates observed over expected life, the management assesses the expected credit loss on outstanding financial assets.

**Provisions** – At each balance sheet date basis the management judgment, changes in facts and legal aspects, the Company assesses the requirement of provisions against the outstanding contingent liabilities. However, the actual future outcome may be different from this judgement.

**Revenue and inventories** – The Company recognizes revenue using the percentage of completion method. This requires forecasts to be made of total budgeted cost with the outcomes of underlying construction and service contracts, which require assessments and judgements to be made on changes in work scopes, claims (compensation, rebates etc.) and other payments to the extent they are probable and they are capable of being reliably measured. For the purpose of making estimates for claims, the Company used the available Contractual and historical information.

**Useful lives of depreciable/ amortisable assets** – Management reviews its estimate of the useful lives of depreciable/amortisable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technical and economic obsolescence that may change the utility of assets.

**Defined benefit obligation (DBO)** – Management's estimate of the DBO is based on a number of underlying assumptions such as standard rates of inflation, mortality, discount rate and anticipation of future salary increases. Variation in these assumptions may significantly



## SHREE PRECOATED STEELS LIMITED

impact the DBO amount and the annual defined benefit expenses.

**Fair value measurements** – Management applies valuation techniques to determine the fair value of financial instruments (where active market quotes are not available). This involves developing estimates and assumptions consistent with how market participants would price the instrument. The Group used valuation techniques that are appropriate in the circumstances and for which sufficient data is available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs. All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input i.e. significant to the fair value measurement as a whole.;

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

Level 2. Input other than quoted prices included within level 1 that are observable for the assets or liabilities either directly (i.e. as prices) or indirectly (i.e. derived from prices)

Level 3. Inputs for the assets and liabilities that are not based on observable market data (unobservable inputs)

### **2.24 Recent accounting pronouncements**

Ministry of Corporate Affairs (MCA) notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 23, 2022, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, as below.

#### **Ind AS 16- Property Plant and equipment –**

The amendment clarifies that excess of net sale proceeds of items produced over the cost of testing, if any, shall not be recognised in the profit or loss but deducted from the directly attributable costs considered as part of cost of an item of property, plant, and equipment. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2022. The Company has evaluated the amendment and there is no impact on its standalone financial statements.

#### **Ind AS 37 - Provisions, Contingent Liabilities and Contingent Assets –**

The amendment specifies that the cost of fulfilling a contract comprises the 'costs that relate directly to the contract. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts (an example would be the allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling the contract). The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2022, although early adoption is permitted. The Company has evaluated the amendment and the impact is not expected to be material.



**Notes to Financial Statements for the year ended 31st March 2022**  
**Note 3: Property, Plant and Equipment (PPE)**

(₹ in Lakhs)

Sr. No	Particulars	Gross Block			Accumulated Depreciation			Net Block		
		As at 01.04.2021	Additions	Deductions	As at 31.03.2022	As at 01.04.2021	Additions	Deductions	As at 31.03.2022	As at 31.03.2021
	Land	3.45	-	-	3.45	-	-	-	3.45	3.45
	<b>TOTAL</b>	<b>3.45</b>	<b>-</b>	<b>-</b>	<b>3.45</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>3.45</b>	<b>3.45</b>

Sr. No	Particulars	Gross Block			Accumulated Depreciation			Net Block		
		As at 01.04.2020	Additions	Deductions	As at 31.03.2021	As at 01.04.2020	Additions	Deductions	As at 31.03.2021	As at 31.03.2020
	Land	3.45	-	-	3.45	-	-	-	3.45	3.45
	<b>TOTAL</b>	<b>3.45</b>	<b>-</b>	<b>-</b>	<b>3.45</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>3.45</b>	<b>3.45</b>





# SHREE PRECOATED STEELS LIMITED

## Notes to Financial Statements for the Year ended 31st March 2022

(₹ in Lakhs)

Sr. No	Particulars	31st March, 2022	31st March, 2021
4	<b>Trade Receivables</b>		
	<b>Unsecured</b>		
	<b>Over six months from the date they were due for payment</b>		
	(i) Considered good	123.38	123.38
	Less : Allowance for credit loss	-	-
		<b>123.38</b>	123.38
	<b>Others</b>		
	(i) Considered good	-	-
	Less : Allowance for credit loss	-	-
		-	-
	<b>Total</b>	<b>123.38</b>	<b>123.38</b>
	<b><u>Movement in allowance for credit loss</u></b>		
	<b>Particulars</b>		
	<b>Opening Balance</b>	-	-
	(+) Provided during the year	-	-
	(-) Reversal during the year	-	-
	<b>Closing Balance</b>	-	-

### Trade Receivables ageing schedule for the year ended as on March 31,2022 and March 31,2021

Particulars	Less than 6 Months	6-12 Months	1-2 Year	2-3 Years	From 3 Years Infinite Years	Total
(i) Undisputed Trade receivables - considered good	-	-	-	-	<b>2.95</b>	<b>2.95</b>
	-	-	-	-	2.95	2.95
(ii) Undisputed Trade Receivables - considered doubtful	-	-	-	-	<b>120.43</b>	<b>120.43</b>
	-	-	-	-	120.43	120.43
(iii) Disputed Trade Receivables considered good	-	-	-	-	-	-
	-	-	-	-	-	-
(iv) Disputed Trade Receivables considered doubtful	-	-	-	-	-	-
	-	-	-	-	-	-

Figures in **Bold** represents current financial year & other represents for previous year.

5	<b>Loans</b>		
	<b>Security deposits</b>		
	Unsecured, considered good	0.51	0.51
	Doubtful	-	-
	<b>Total</b>	<b>0.51</b>	<b>0.51</b>
6	<b>Other Non Current Assets</b>		
	<b>Other Receivables</b>	339.65	342.56
	<b>Advances to Suppliers - - Unsecured</b>	<b>20.38</b>	20.15
	<b>Total</b>	<b>360.03</b>	<b>362.71</b>



## Notes to Financial Statements for the Year ended 31st March 2022

(₹ in Lakhs)

Sr. No	Particulars	31st March, 2022	31st March, 2021
<b>7</b>	<b>Cash and Bank Balances</b>		
	Cash and cash equivalents		
	(i) Balances with banks		
	- In current accounts	4.00	2.92
	(ii) Cash in hand	-	-
	<b>Total</b>	<b>4.00</b>	<b>2.92</b>
<b>8</b>	<b>Other Financial Assets</b>		
	Others	3.82	0.59
	<b>Total</b>	<b>3.82</b>	<b>0.59</b>
<b>9</b>	<b>Current Tax Assets (Net)</b>		
	Advance Tax (net of Provisions)	47.28	47.28
	<b>Total</b>	<b>47.28</b>	<b>47.28</b>
<b>10</b>	<b>Other Current Assets</b>		
	Advances to Suppliers - Unsecured	-	1.76
	Other Current Assets	-	-
	<b>Total</b>	<b>-</b>	<b>1.76</b>
<b>11</b>	<b>EQUITY SHARE CAPITAL</b>		
	<b>Authorised</b>		
	8,50,00,000 (Previous year 8,50,00,000 ) Equity Shares of Rs. 10/- each	8,500.00	8,500.00
	<b>ISSUED SUBSCRIBED AND PAID UP</b>		
	41,39,902 (Previous Year 41,39,902) Equity Shares of Rs.10/- each fully paid up.	413.99	413.99
	<b>Total</b>	<b>413.99</b>	<b>413.99</b>

## a. Reconciliation of shares outstanding at the beginning and at the end of the reporting period

Equity shares	31st March, 2022		31st March, 2021	
	No. of Shares	₹ in Lakhs	No. of Shares	₹ in Lakhs
At the beginning of the Year	41,39,902	413.99	41,39,902	413.99
Outstanding at the end of the period	41,39,902	413.99	41,39,902	413.99

## b. Term/rights attached

The company has only one class of equity shares having a par value of Rs. 10 per share. Each holder of equity share is entitled to one vote per share. The company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

During the year ended 31<sup>st</sup> March, 2022, the amount of per share dividend recognised as distributions to equity shareholders was Rs. NIL (Previous Year Rs. NIL).

## c. Shares held by holding/ultimate holding company and/or their subsidiaries/associates

	31st March, 2022	31st March, 2021
	No. of Shares	No. of Shares
	-	-



# SHREE PRECOATED STEELS LIMITED

## Notes to Financial Statements for the Year ended 31st March 2022

(₹ in Lakhs)

- d. Aggregate numbers of bonus shares issued, share issued for consideration other than cash and shares brought back during the period of five years immediately preceding the reporting date:

	31st March, 2022	31st March, 2021
	No. of shares	No. of shares
Equity shares allotted as fully paid bonus shares by capitalisation of securities premium.	Nil	Nil
Equity shares allotted as fully paid-up pursuant to contracts for considerations other than cash.	Nil	Nil
Equity shares bought back by the company	Nil	Nil

### For the period of five years starting from preceding date

	No. of shares	No. of shares
F.Y. 2020-2021	NIL	NIL
F.Y. 2019-2020	NIL	NIL
F.Y. 2018-2019	NIL	NIL
F.Y. 2017-2018	NIL	NIL
F.Y. 2016-2017	NIL	NIL

- e. Details of shareholders holding more than 5% shares in the company

	31st March 2022		31st March 2021	
	Nos.	% holding	Nos.	% holding
<b>Equity shares of Rs. 10 each fully paid</b>				
Fahrenheit Fun and Games Private Limited	291666	7.05	291666	7.05

As per records of the company, including its register of shareholders/members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

(₹ in Lakhs)

Sr. No	Particulars	31st March, 2022	31st March, 2021
12	<b>OTHER EQUITY</b>		
	<b>Capital Reserve</b>		
	Balance as per last financial statements	-	-
	<b>Closing Balance</b> (A)	-	-
	<b>General Reserve</b>		
	Balance as per last financial statements	-	-
	<b>Closing Balance</b> (B)	-	-
	<b>Surplus/(Deficit) in the Statement of Profit and Loss</b>		
	Balance as per last financial statements	(407.91)	(418.72)
	Add: Surplus/(Deficit) for the Year	(49.65)	10.81
	<b>Closing Balance</b> (C)	<b>(457.56)</b>	<b>(407.91)</b>
	<b>Total</b> (A+B+C)	<b>(457.56)</b>	<b>(407.91)</b>
13	<b>TRADE PAYABLES</b>		
	Due to Micro and Small Enterprises (refer note. No.30)	-	-
	Others	266.93	266.93
	<b>Total</b>	<b>266.93</b>	<b>266.93</b>



## Notes to Financial Statements for the Year ended 31st March 2022

(₹ in Lakhs)

## Trade Payables ageing schedule for the year ended as on March 31, 2022 and March 31, 2021

Particulars	Less than 1 Year	1-2 Year	2-3 Year	More than 3 Year	Total
Due to Micro and Small Enterprises (refer note. No.30)	-	-	-	-	-
Due to Micro and Small Enterprises Disputed	-	-	-	-	-
Other	-	-	-	<b>266.93</b>	<b>266.93</b>
Other Disputed	-	-	-	266.93	266.93
	-	-	-	-	-

Figures in **Bold** represents current financial year & other represents for previous year.

SR. No.	Particulars	31st March, 2022	31st March, 2021
<b>14</b>	<b>PROVISIONS</b>		
	<b>Provision for Employee Benefits</b>		
	Provision for Gratuity	4.64	3.75
	Provision for Leave Benefits	<b>0.89</b>	0.32
	<b>Others</b>	<b>101.00</b>	101.00
	<b>Total</b>	<b>106.53</b>	<b>105.07</b>
<b>15</b>	<b>TRADE PAYABLES</b>		
	Due to Micro and Small Enterprises (refer note.No.30)	-	-
	<b>Others</b>	<b>1.34</b>	0.55
	<b>Total</b>	<b>1.34</b>	0.55

Trade Payables ageing schedule for the year ended as on March 31, 2022 and March 31, 2021

Particulars	Less than 1 Year	1-2 Year	2-3 Year	More than 3 Year	Total
Due to Micro and Small Enterprises (refer note. No.30)	-	-	-	-	-
Due to Micro and Small Enterprises Disputed	-	-	-	-	-
Others	<b>1.34</b>	-	-	-	<b>1.34</b>
Other Disputed	0.55	-	-	-	0.55
	-	-	-	-	-

Figures in **Bold** represents current financial year & other represents for previous year.

<b>16</b>	<b>OTHER FINANCIAL LIABILITIES</b>		
	Others	<b>210.72</b>	161.93
	<b>Total</b>	<b>210.72</b>	<b>161.93</b>
<b>17</b>	<b>OTHER CURRENT LIABILITIES</b>		
	Statutory Dues	<b>0.19</b>	0.24
	Others	<b>0.22</b>	-
	<b>Total</b>	<b>0.41</b>	0.24
<b>18</b>	<b>PROVISIONS</b>		
	Provision for Employee Benefits		
	Provision for Gratuity	<b>0.10</b>	0.04
	Provision for Leave Benefits	<b>0.01</b>	-
	Provision for Expenses	-	1.76
	<b>Total</b>	<b>0.11</b>	<b>1.80</b>



# SHREE PRECOATED STEELS LIMITED

Notes to Financial Statements for the Year ended 31st March 2022

(₹ in Lakhs)

SR. No.	Particulars	31st March, 2022	31st March, 2021
<b>19</b>	<b>OTHER INCOME</b>		
	Other Income	-	55.00
	<b>Total</b>	<b>-</b>	<b>55.00</b>
<b>20</b>	<b>EMPLOYEE BENEFIT EXPENSES</b>		
	Salaries, wages and bonus	27.53	20.70
	Gratuity expense	0.85	0.98
	<b>Total</b>	<b>28.38</b>	<b>21.68</b>
<b>21</b>	<b>OTHER EXPENSES</b>		
	Advertising and sales promotions	1.38	1.49
	Travelling and Conveyance	-	2.17
	Payment to Auditors	0.50	0.50
	Miscellaneous Expenses	0.10	0.16
	Communication Expenses	-	0.01
	Legal & Professional Fees	2.78	3.01
	Share Transfer & Mailing Expenses	3.60	6.53
	Listing Fees	3.00	3.00
	Filing Fees	0.22	-
	Membership and Subscription	4.13	1.26
	Bank charges	0.17	0.20
	Postage & Courier	-	1.07
	Rent	1.20	1.20
	Printing & Stationery expenses	0.11	1.38
	Service Tax & GST Unutilised	2.43	2.88
	Audit Sitting Fees	0.60	0.40
	Review Meeting Fees	0.10	0.10
	Board Meeting Fees	0.60	0.55
	Interest on Hire Purchase	0.25	-
	<b>Total</b>	<b>21.17</b>	<b>25.91</b>
<b>22</b>	<b>Earning per Share (EPS)</b>		
	The following reflects the profit and share data used in the basic and diluted EPS computations.		
	Surplus/(Loss) for the year(in Rupees)	(4,965,458)	1,080,394
	Weighted average number of equity shares outstanding during the period	4,139,902	4,139,902
	<b>Earning per share (EPS)</b>		
	Basic in Rupees	(1.20)	0.26
	Diluted in Rupees	(1.20)	0.26

### 23. Contingent liabilities not provided for in respect of:

Name of the statute	Nature of dues	Amount (in Lakhs)	Period to which the amount relates	Forum where dispute is pending
Service Tax	Input Service Credit	7.00	2007-2008	Custom Excise & Service Tax Appellate Tribunal
Income Tax Act	Demand	1639.38	1988-1989 1992-1993	Hon'ble High Court, Mumbai

Any Adjustment required would be accounted in the year in which final order will be received.



## Notes to Financial Statements for the Year ended 31st March 2022

(₹ in Lakhs)

### 24. Sitting Fess paid to Directors other than managing / whole time directors:

Particulars	2021-2022	2020-2021
Sitting Fees	1.30	1.05
<b>Total</b>	<b>1.30</b>	<b>1.05</b>

### 25. Details of Auditor's remuneration :

Particulars	2021-2022	2020-2021
Audit Fees	0.50	0.50
<b>Total</b>	<b>0.50</b>	<b>0.50</b>

### 26. Deferred Taxation:

- (a) During the Year, the Company has not made any provision for income tax including Minimum Alternate Tax (MAT) on account of accumulated losses as per Income Tax Act as well as under Companies Act.
- (b) The Company has, on account of substantial unabsorbed Depreciation and Business Loss as per Income Tax Act 1961. However, as a prudent policy, the said Deferred Tax Asset has not been recognized, which is in accordance with Ind AS 12 .

### 27. Employee Benefit

Consequent to Ind AS 19 "Employee Benefits", the company has reviewed and revised its accounting policy in respect of employee benefits.

Sr. No.	Particulars	as on 31.03.2022		
		Gratuity (Unfunded)	Leave Salary (Unfunded)	Total
[I]	Reconciliation in Present Value of Obligation (PVO) - defined benefits			
	Current Service Cost	<b>0.60</b>	<b>(0.65)</b>	<b>(0.05)</b>
		0.56	(0.61)	(0.05)
	Interest Cost	<b>0.26</b>	<b>0.02</b>	<b>0.28</b>
		0.42	0.09	0.51
	Actuarial (gain)/ losses	<b>0.21</b>	<b>1.19</b>	<b>1.40</b>
		(3.39)	(0.35)	3.74
	Benefits Paid	-	-	-
		-	-	-
	Past service cost	-	-	-
		-	-	-
	PVO at the beginning of the year	<b>3.79</b>	<b>0.33</b>	<b>4.12</b>
		6.21	1.42	7.63
	PVO at end of the year	<b>4.74</b>	<b>0.90</b>	<b>5.64</b>
		3.79	0.33	4.12
[II]	Change in fair value of plan assets :			
	Expected Return on plan assets	-	-	-
		-	-	-
	Actuarial (gain)/ losses	-	-	-
		-	-	-
	Contribution by employers	-	-	-
	Benefits Paid	-	-	-
		-	-	-
	Fair value of plan assets at the beginning of the year	-	-	-
	Fair value of plan assets at end of the year	-	-	-



# SHREE PRECOATED STEELS LIMITED

## Notes to Financial Statements for the Year ended 31st March 2022

(₹ in Lakhs)

Sr. No.	Particulars	as on 31.03.2022		
		Gratuity (Unfunded)	Leave Salary (Unfunded)	Total
[III]	Reconciliation of PVO and fair value of plan assets :			
	PVO at end of year	<b>4.74</b>	<b>0.90</b>	<b>5.64</b>
		3.79	0.33	4.12
	Fair value of plan assets at end of the year			
	Funded status	NIL	NIL	NIL
		NIL	NIL	NIL
	Unrecognised actuarial (gain)/ losses			
	Net assets/(liability) recognised in the balance sheet	<b>4.74</b>	<b>0.90</b>	<b>5.64</b>
		3.79	0.33	4.12
[IV]	Net cost for the year ended March 31, 2022			
	Current Service Cost	<b>0.60</b>	<b>(0.65)</b>	<b>(0.05)</b>
		0.56	(0.61)	(0.05)
	Interest Cost	<b>0.26</b>	<b>0.02</b>	<b>0.28</b>
		0.42	0.09	0.51
	Expected Return on plan assets			
	Actuarial (gain)/ losses	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>
		NIL	NIL	NIL
	Net Cost	-	-	-
		-	-	-
[V]	Category of assets as at March 31, 2022	-	-	-
		-	-	-
[VI]	Actual return of plan assets	-	-	-
		-	-	-
[VII]	Assumption used in accounting for the Gratuity & Leave Salary plan:			
	Discount rate (%)	<b>7.00%</b>	<b>7.00%</b>	
		6.75%	6.75%	
	Salary escalation rate(%)	<b>9.00%</b>	<b>9.00%</b>	
		9.00%	9.00%	
	Expected amount of return on plan assets	-	-	-
		-	-	-

Figures in Bold represents current financial year & others represents for previous year.

28. The Company primarily deals in the business of Real Estate and hence there is no Primary reportable segment in the context of Ind AS 108.

### 29. Related Party Disclosures:

The related party and relationships, as identified by the Management and relied upon by the Auditors, with whom transactions have taken place during the year ended are :





## Notes to Financial Statements for the Year ended 31st March 2022

(₹ in Lakhs)

## a. Directors and their relatives:

Name of the Party	Relationship
Mr. Harsh L. Mehta	Managing Director
Mr. Lalit J. Mehta	Relative
Mrs. Amish H. Mehta	Relative
Mrs. Kumud L. Mehta	Relative
Mr. Akshar H. Mehta	Relative
Mr. Nilesh H. Sarvaiya	Non-Executive Director
Mrs. Bhaumi N. Sarvaiya	Relative
Mr. Harshadrai M. Sarvaiya	Relative
Mrs. Madhu H. Sarvaiya	Relative
Ms. Khushali N. Sarvaiya	Relative
Ms. Mehak N. Sarvaiya	Relative

## b. Key Managerial Personnel:

Sr. No.	Key Managerial Personnel	Relative of Key Managerial Personnel
1	Mr. Harsh L. Mehta (Managing Director)	Mr. Lalit J. Mehta Mrs. Amish H. Mehta Mrs. Kumud L. Mehta Mr. Akshar H. Mehta
2	Mr. Suresh N. Pitale (Chief Financial Officer)	Mrs. Geeta S. Pitale
3	Mr. Raj Yagnesh Shah (Asst. Company Secretary)	Mr. Yagnesh S. Shah Mrs. Beena Y. Shah

## c. Disclosure in respect of material transactions with related parties

(₹ in Lakhs)

Nature of Transaction	Name of Related Parties	Transactions 2021-2022	Transactions 2020-2021
Remuneration paid	<b>Directors &amp; Key Management Personnel</b>		
	Harsh L. Mehta	12.13	13.54
	(Director)		
	Suresh N. Pitale	7.97	6.72
	(Chief Financial Officer)		
	Raj Y. Shah	4.87	0.89
	(Company Secretary)		
	<b>Total</b>	<b>24.97</b>	<b>21.15</b>

## 30. Disclosure under Micro, Small and Medium Enterprises Development Act, 2006:

- a) The principal amount Rs. NIL (Previous Year NIL) and the interest due thereon is NIL (Previous Year NIL) remaining unpaid to any supplier at the end of each accounting year 2021-22.



**Notes to Financial Statements for the Year ended 31st March 2022**

- b) The amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year.
- c) The amount of Interest due and payable for the period of delay in making payment but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006
- d) The amount of Interest accrued and remaining unpaid at the end of each accounting year Nil
- e) The amount of further interest remaining due and payable even in the succeeding years until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006 is Nil

The above information and that given in note no.13 & 15 –“Trade Payables” regarding Micro and Small enterprises has been determined to the extent such parties have been identified on the basis of available with the company. This has been relied upon by the auditors.

**31.** The Company has re – assessed the useful life of assets for the purpose of determination of depreciation in the manner prescribed under the Schedule II of the Companies Act, 2013.

**32. Capital Management Policy**

For the purpose of the Company’s capital management, capital includes issued equity capital, share premium and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Company’s capital management is to maximise the shareholder value. The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt.

(₹ in Lakhs)

<b>Particulars</b>	<b>31.03.2022</b>	<b>31.03.2021</b>
Net Debt		
(-) Cash and Cash Equivalent	-4.00	-2.92
Total	-4.00	-2.92
Total Equity		
Equity Share Capital	413.99	413.99
Other Equity	-457.56	-407.91
Total	-43.57	6.08
Debt to Equity Ratio	0.09	-0.48

**32 a.** The accounts are prepared on a going concern basis in spite of negative net worth, pending appeal in respect of refund of indirect taxes.



## Notes to Financial Statements for the Year ended 31st March 2022

### 33. Financial Risk Management: Disclosure of Financial Instruments by category

For amortised cost instruments, carrying value represents the best estimate of fair value.

(₹ in Lakhs)

Particulars	31.03.2022			31.03.2021		
	FVTPL	FVOCI	AMORTISED COST	FVTPL	FVOCI	AMORTISED COST
<b>Financial Assets</b>						
Investment in associates	-	-	-	-	-	-
Security Deposits	-	-	-	-	-	-
Loans to related parties	-	-	-	-	-	-
Other loans	-	-	0.51	-	-	0.51
Cash & Cash Equivalent	-	-	4.00	-	-	2.92
Other Bank Balances	-	-	-	-	-	-
Loans	-	-	-	-	-	-
	-	-	4.51	-	-	3.43
<b>Financial Liabilities</b>						
Borrowings	-	-	-	-	-	-
Trade Payables	-	-	268.27	-	-	267.48
Other Financial Liabilities	-	-	210.72	-	-	161.93

#### Types of Risk and its management

The Group's activities expose it to market risk, liquidity risk and credit risk. Board of Directors has overall responsibility for the establishment and oversight of the Group's risk management framework. This note explains the sources of risk which the entity is exposed to and how the entity manages the risk and the related impact in the financial statements.

#### a. Credit Risk

The Company measures the expected credit loss of trade receivables based on historical trend, industry practices and the business environment in which the entity operates. Expected Credit Loss is based on actual credit loss experienced and past trends based on the historical data.

#### b. Liquidity Risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group's approach to managing liquidity is to ensure as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due.

Management monitors rolling forecasts of the Group's liquidity position and cash and cash equivalents on the basis of expected cash flows. The Group takes into account the liquidity of the market in which the entity operates.

#### c. Foreign Currency Risk

The Group has international transactions and is exposed to foreign exchange risk arising from foreign currency transactions. Foreign exchange risk arises from recognized assets and liabilities denominated in a currency that is not the Group's functional currency.

#### 34. Capital and other commitments

Capital and other commitments on account of revenue as well as capital nature is Rs. NIL (Previous Year NIL)

No proceedings have been initiated during the year or are pending against the Company as at March 31, 2022 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.

35. The Company has not been declared willful defaulter by any bank or financial institution or government or any government authority.

36. There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).



## SHREE PRECOATED STEELS LIMITED

### Notes to Financial Statements for the Year ended 31st March 2022

37. The Board of Directors is of the opinion that none of the assets other than Property, Plant and Equipment, Intangible Assets and non-current investments have realisable value less than their carrying amount in the ordinary course of business.
38. No funds have been advanced or loaned or invested by company to any intermediary and no funds have been received by the company to act as intermediary.
39. Relationship with Struck off Companies is **Nil** (Previous Year)
40. Ratios : The following are analytical ratios for the year ended March 31, 2022 and March 31, 2021

(₹ in Lakhs)

Sr. no	Particulars	Numerator	Denominator	31st March,2022	31st March,2021	Variance
1	Current Ratio	Current Assets	Current Liabilities	0.26	0.32	-19%
2	Debt-Equity Ratio	Total Debt	Shareholder' Equity	-	-	0%
3	Debt Service Coverage Ratio	Earnings available for debt service	Debt Service	-	-	0%
4	Return on Equity (ROE)*	Net profits after taxes	Average shareholder's Equity	(2.65)	15.97	-117%
5	Inventory Turnover Ratio	Revenue	Average Inventory	-	-	0%
6	Trade payables turnover ratio*	Revenue	Average Trade Payables	-	46.20	-100%
7	Trade receivables turnover	Net Credit Sales	Average Trade Receivable	-	0.45	-100%
8	Net capital turnover ratio*	Revenue	Working Capital	-	(0.49)	-100%
9	Net profit ratio*	Net profit	Revenue	-	0.13	-100%
10	Return on Capital employed (ROCE)*	Earning before interest and taxes	Capital Employed	(1.14)	1.22	-193%
11	Return on Investment(ROI) Unquoted	Income generated from investments	Time weighted from investments	-	-	0%
12	Return on investment	Income generated from investments	Time weighted average investments	-	-	0%

\* There is no Revenue during the Financial Year under review.

41. The company has not traded or not invested in Crypto currency or Virtual currency during the financial year.
42. Title deeds of all the immovable properties are held in the name of the company.
43. During the year the Company has not availed any borrowing from banks or financial institutions.
44. There are no charges or satisfaction of charges which is yet to be registered with Registrar of Companies beyond the statutory period.
45. The Company has complied with Companies (Restriction of Number of Layers) Rules, 2017, and there are no downstream companies beyond the specified layers.
46. The Company has not been sanctioned working capital limits in excess of ₹ 5 crore, in aggregate, at any points of time during the year



## Notes to Financial Statements for the Year ended 31st March 2022

47. The Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.
48. Earnings & Expenditure in Foreign Currency (accrual basis): - Expenses: Rs. NIL(Previous Year Rs. Rs. NIL)
49. The Balance in Debtors, Creditors, few Bank Accounts balances and Advances accounts are subject to confirmation and reconciliation, if any. However as per management opinion no material impact on financial statements out of such reconciliation is anticipated.
50. **Subsequent events**  
There is not any subsequent event reported after the date of financial statements.
51. The code on Social security, 2020 relating to employee benefits has been approved by the Parliament and has also been published in Official Gazette of India. However, the date on which it comes into effect has not been notified and the rules are yet to be framed. The Company will complete its evaluation and will give appropriate impact in its financial statements in the period in which, the Code becomes effective and the related rules are published.
52. **Regrouping of Previous Year Figures.**  
The company has regrouped / rearranged and reclassified previous year figures to conform to current year's classification.

As per our report of even date  
For **MANESH MEHTA & ASSOCIATES**  
Chartered Accountants  
Firm Reg. No. 115832W

**MANESH MEHTA**  
PARTNER  
Membership No. 36032  
UDIN:22036032AJGLPE1958

Place : Vadodara  
Dated : 19th May 2022

For & on behalf of Board Of Directors of  
**SHREE PRECOATED STEELS LIMITED**

**A .C. PATEL**  
CHAIRMAN  
DIN:00037870

**SURESH N. PITALE**  
CHIEF FINANCIAL OFFICER

Place : Mumbai  
Dated : 19th May 2022

**HARSH L MEHTA**  
MANAGING DIRECTOR  
DIN:01738989

**DIVYA Y HISARIA**  
COMPANY SECRETARY