



**SHREE PRECOATED STEELS LIMITED**

**9<sup>th</sup>**

**ANNUAL REPORT  
2016-17**



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## CORPORATE INFORMATION

### BOARD OF DIRECTORS

<b>MR. AMBALAL C. PATEL</b>	- CHAIRMAN NON-EXECUTIVE INDEPENDENT DIRECTOR
<b>MR. HARSH L. MEHTA*</b>	- MANAGING DIRECTOR
<b>MR. JAGDISH J. DOSHI</b>	- INDEPENDENT DIRECTOR
<b>MS. AARTI M. RAMANI</b>	- INDEPENDENT DIRECTOR
<b>MR. NILESH H. SARVAIYA</b>	- NON-EXECUTIVE PROFESSIONAL DIRECTOR
<b>MR. SANJAY C. AJMERA**</b>	- MANAGING DIRECTOR
<b>MR. DHAVAL R. AJMERA***</b>	- DIRECTOR-OPERATIONS & MARKETING

\* Appointed as Managing Director w.e.f. 26<sup>th</sup> August, 2016.

\*\* Resigned from Board w.e.f. 23<sup>rd</sup> May, 2016.

\*\*\* Resigned from Board w.e.f. 24<sup>th</sup> May, 2016.

### CHIEF FINANCIAL OFFICER

Mr. Harish G. Taparia

### ASST. COMPANY SECRETARY & COMPLIANCE OFFICER

Mr. Akshay R. Sharma

### REGISTERED OFFICE

1, Ground Floor, Citi Mall, New Link Road,  
Andheri (W), Mumbai: 400 053  
Tel: +91 22 6552 6677  
Email: [spsl.investors@gmail.com](mailto:spsl.investors@gmail.com)  
Website: [www.spsl.com](http://www.spsl.com)

### REGISTRAR & SHARE TRANSFER AGENT

Sharex Dynamic (India) Private Limited  
Unit no. 1, Luthra Industrial Premises Andheri  
Kurla Road, Safed Pool,  
Andheri (E), Mumbai: 400 072  
Tel: 022 28515606, Fax: 022 28512885  
Tel: 022 28515606, Fax: 022 28512885  
Email: [sharexindia@vsnl.com](mailto:sharexindia@vsnl.com)  
Website: [www.sharexindia.com](http://www.sharexindia.com)

### CORPORATE IDENTITY NUMBER (CIN)

L70109MH2007PLC174206

### AUDITORS

M/s. V.Parekh & Associates,  
Chartered Accountants,  
37, Hanuman Street, 2<sup>nd</sup> Floor,  
Fort, Mumbai: 400 001

### BOOK CLOSURE DATE

From Saturday, 23<sup>rd</sup> September, 2017  
to Friday, 29<sup>th</sup> September, 2017 (both  
days inclusive)

### NINTH ANNUAL GENERAL MEETING

Date : 29<sup>th</sup> September, 2017  
Day : Friday  
Time : 11.00 a.m  
Place : Activity Hall, Ground Floor,  
Juhu Vile Parle Gymkhana Club  
N.S. Road, Jvpd Scheme,  
Vile Parle (W), Mumbai: 400 049



## NOTICE

**NOTICE** is hereby given that the Ninth Annual General Meeting of the members of **Shree Precoated Steels Limited** will be held at Activity Hall, Ground Floor, Juhu Vile Parle Gymkhana Club, N.S Road, JVPD Scheme, Vile Parle (West), Mumbai - 400049, Maharashtra on Friday, the 29<sup>th</sup> September, 2017 at 11:00 A.M. to transact the following business:

### ORDINARY BUSINESS:

#### 1. Adoption of Audited Financial Statements

To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended March 31, 2017 together with the reports of the Board of Directors and Auditors thereon.

#### 2. Ratification of appointment of Auditors

To ratify appointment of the Auditors of the Company and to fix their remuneration, in this regards to consider and if thought fit, with our without modification(s) to pass, the following Resolution as an **Ordinary Resolution**:

**“RESOLVED THAT** in terms of the provisions of Section 139 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules framed thereunder, as amended from time to time, and pursuant to the resolution passed by the Members at the Sixth Annual General Meeting (AGM) held on September 27, 2014 appointing M/s. V. Parekh & Associates, Chartered Accountants (Firm Registration No. 107488W) Mumbai, as statutory auditors to hold office from the conclusion of the Sixth AGM till conclusion of the Eleventh AGM, the appointment of M/s. V. Parekh & Associates, Chartered Accountants (Firm Registration No. 107488W), as statutory auditors of the Company, to hold office from the conclusion of this Meeting i.e. Ninth Annual General Meeting until the conclusion of the Tenth Annual General Meeting of the Company, be and is hereby ratified by the Members on a remuneration inclusive of tax(es) (as may be applicable) and reimbursement of all out-of-pocket expenses in connection with the audit of the accounts of the Company (including terms of payment) to be fixed by the Board of Directors of the Company In consultation with the Auditors.

#### 3. Re-Appointment of Director

To appoint a Director in place of Mr. Nilesh H. Sarvaiya (DIN:00799636), Non Executive Director, who retires by rotation and being eligible, offers himself for re-appointment.

### SPECIAL BUSINESS:

#### 4. Fees for delivery of any document through a particular mode

To consider and determined the fees for delivery of any documents through a particular mode and in this regard to consider and if thought fit, with our without modification(s) if thought fit, to pass the following resolution as an **Ordinary Resolution** :

**“RESOLVED THAT** pursuant to section 20 and other applicable provisions, if any, of the Companies Act, 2013 and relevant Rules prescribed thereunder, upon receipt of a request from a member for delivery of any document through a particular mode an amount of ₹ 50/- (Rupees Fifty Only) per each such document, over and above reimbursement of actual expenses incurred by the Company, be levied as and by way of fees for sending the document to him in the desired particular mode.

**RESOLVED FURTHER THAT** the estimated fees for delivery of the document shall be paid by the member in advance to the Company, before dispatch of such document.

**FURTHER RESOLVED THAT** for the purpose of giving effect to this resolution, the Key Managerial Personnel of the Company be and are hereby severally authorized to do all such acts, deeds, matters and things as they may in their absolute discretion deem necessary, proper, desirable or expedient and to settle any question, difficulty, or doubt that may arise in respect of the matter aforesaid, including determination of the estimated fees for delivery of the document to be paid in advance.”

### NOTES:

1. The Explanatory Statement setting out the material facts pursuant to Section 102 of the Companies Act, 2013 (“the Act”), concerning the Special Business in the Notice is annexed hereto and forms part of this Notice.
2. Pursuant to Regulation 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the information about the Directors proposed to be appointed/re-appointed is given in the Annexure I to the Notice.
3. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON POLL ON HIS/HER BEHALF AND PROXY NEED NOT BE A MEMBER OF THE COMPANY.

Pursuant to section 105 of the Companies Act, 2013, a person can act as a proxy on behalf of not more than fifty members holding in aggregate, not more than ten percent of the total share capital of the company. Members holding more than ten percent of the total share capital of the company may appoint a single person as proxy who shall not act as a proxy for any other member.



The instrument of proxy, in order to be effective should be deposited at the registered office of the company, duly completed and signed, not later than 48 hours before the commencement of the meeting. A Proxy form is annexed to this report. Proxies submitted on behalf of limited companies, societies, etc., must be supported by an appropriate resolution/ authority, as applicable.

4. Corporate Members intending to send their authorised representatives to attend the AGM are requested to send a duly certified copy of their Board Resolution authorising their representatives to attend and vote at the AGM.
5. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names under a given Folio / DP ID – Client ID (in respect of dematerialized shares) will be entitled to vote.
6. Members / Proxies / Authorised Representatives shall bring the attendance slip enclosed herewith, duly completed and signed mentioning therein their DP ID and Client ID details in case they hold shares in dematerialized form whilst those members who hold shares in physical form should mention their Folio No. The attendance slip should be presented at the venue of the meeting.
7. The Register of Members and the Share Transfer Books of the Company shall remain closed from Saturday, 23<sup>rd</sup> September, 2017 to Friday, 29<sup>th</sup> September, 2017 (both days inclusive) for Annual General Meeting.
8. Members are requested to note that the Company's equity shares are under compulsory demat trading for all investors, subject to the provisions of SEBI Circular No.21/99 dated July 8, 1999. Members are, therefore, requested to dematerialise their shareholding to avoid inconvenience.
9. Members desirous of getting any information about the accounts and/or operations of the Company are requested to write to the Company at [spsl.investors@gmail.com](mailto:spsl.investors@gmail.com) at least seven days before the date of the Meeting to enable the Company to keep the information ready at the Meeting.
10. During the period beginning 24 hours before the time fixed for the commencement of the Meeting and ending with the conclusion of the Meeting, a Member would be entitled to inspect the proxies lodged with the Company between 11:00 a.m to 5:00 p.m at the registered office of the Company, provided that a requisition for the same from a Member is received in writing not less than 3 days before the commencement of the Meeting.
11. All the documents referred to in the Notice & explanatory statement will be available for inspection by the Members at the Registered Office of the Company between 11:00 a.m. to 1:00 p.m. on all working days from the date hereof upto the date of the Meeting. The relevant documents referred to in the Notice & explanatory statement will also be available for inspection by the Members at the Meeting.
12. The register of Directors and key managerial personnel and their shareholding maintained under section 170 of the Companies Act, 2013, the register of contracts or arrangement in which the directors are interested under section 189 of the Companies Act, 2013 will be available for inspection at the AGM.
13. Members holding shares in physical form are requested to advise any change of address, bank details etc. immediately to the Company's Registrar and Share Transfer Agent (RTA), M/s Sharex Dynamic (India) Private Limited.
14. Members holding shares in single name are advised to avail the facility of nomination in respect of shares held by them pursuant to the provisions of Section 72 of the Companies Act, 2013 read with the Rules issued thereunder. Members holding shares in physical form desiring to avail this facility may send their nomination in respect of their shareholding in the Company. The nomination form can be downloaded from the Company's RTA website [www.sharexindia.com](http://www.sharexindia.com) under the section 'Downloads'. Members can also find enclosed with this Annual Report nomination form in the form of SH-13. Members holding shares in electronic form may contact their respective Depository Participant(s) for availing this facility.
15. Members who hold shares in physical form in multiple folios in identical names or joint holding in the same order of names are requested to send the share certificates to RTA, for consolidation into a single folio.
16. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to the Depository Participants with whom they maintain their demat accounts. Members holding shares in physical form should submit their PAN to RTA.
17. To prevent fraudulent transactions, Members are advised to exercise due diligence and notify the Company of any change in address or demise of any Member as soon as possible. Members are also advised not to leave their demat account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned DP and holdings should be verified.
18. Electronic copy of the Annual report is being sent to all the members whose email IDs are registered with the Company / Depositories. In case any member desires to have a physical copy of the same, he/ she may write to the Company or send an Email to [spsl.investors@gmail.com](mailto:spsl.investors@gmail.com). Members who have not registered their



email address and holding shares in physical, are requested to register the same with the Company or RTA and members holding shares in dematerialised form are requested to update their email address with their respective depository participants.

19. Members may kindly note that the Annual Report of the Company will also be available on the Company's website, [www.spsl.com](http://www.spsl.com) and can be downloaded, if required, by the Members.
20. In compliance with provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of SEBI (LODR) Regulations, 2015, the Company is pleased to provide members, facility to exercise their right to vote on resolutions proposed to be considered at the AGM by electronic means and the business may be transacted through e-Voting Services.

## INSTRUCTION FOR E-VOTING

- a) The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM ("remote e-voting") will be provided by Central Depository Services (India) Limited (CDSL).
- b) The facility for voting through ballot paper shall be made available at the AGM and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through ballot paper.
- c) The members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again. However, if a Member casts votes by both modes, then voting done through e-voting shall prevail and the ballot shall be treated as invalid.
- d) Any person who becomes a member of the Company after dispatch of the Notice of the meeting and holding shares as on the cut-off date i.e. 22<sup>nd</sup> September, 2017 may obtain the User ID and password in the manner as mentioned at sub points from (f) to (k) given below
- e) The e-voting period begins on 26<sup>th</sup> September, 2017 at 9:00 a.m and ends on 28<sup>th</sup> September, 2017 at 5:00 p.m. The e-voting module shall be disabled by CDSL for voting thereafter. During the e-voting period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 22<sup>nd</sup> September, 2017 may cast their vote electronically
- f) The shareholders should log on to the e-voting website: [www.evotingindia.com](http://www.evotingindia.com).
- g) Click on Shareholders tab.

h) Now Enter your User ID

For CDSL: 16 digits beneficiary ID,

For NSDL: 8 Character DP ID followed by 8 Digits Client ID, Members holding shares in Physical Form should enter Folio Number registered with the Company

- i) Next enter the Image Verification as displayed and Click on Login.
- j) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.
- k) If you are a first time user follow the steps given below:

	For Members holding shares in Demat Form and Physical Form
PAN	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> <li>• Members who have not updated their PAN with the Company/ Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field. Sequence number is over printed on your ballot form.</li> <li>• In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.</li> </ul>
DOB	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/ mm/yyyy format.
Bank Details	<p>Enter the Bank Details as recorded in your demat account or in the company records for the said demat account or folio.</p> <ul style="list-style-type: none"> <li>• Please enter the Bank Details in order to login. If the details are not recorded with the depository or company please enter the member id / folio number in the Bank details field as mentioned in instruction (h).</li> </ul>

- l) After entering these details appropriately, click on "SUBMIT" tab.
- m) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders



for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

- n) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- o) Click on the EVSN of SHREE PRECOATED STEELS LIMITED.
- p) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- q) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- r) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- s) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- t) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- u) If Demat account holder has forgotten the existing password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- v) **Note for Non - Individual Shareholders and Custodians**
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporates.
  - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
- After receiving the login details a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
  - The list of accounts should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
  - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same
- w) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
21. The Company shall be making arrangements for the members to cast their votes in respect to the businesses either through electronic voting system or through poll, for members attending the meeting who have not cast their vote by remote voting.
22. Ms. Shreya Shah, Practicing Company Secretary (Membership No. 39409) has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
23. The scrutinizer shall, immediately after the conclusion of voting at the general meeting, first count the votes cast at the meeting, thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the company and make 'not later than three days of conclusion of the meeting' a consolidated Scrutinizer's Report of the total votes cast in favor or against, if any, to the Chairman or a person authorized by him in writing who shall countersign the same
24. The results declared along with the Scrutinizer's Report shall be placed on the Company's website [www.spsl.com](http://www.spsl.com) and will be communicated to BSE Limited where the shares of the Company are listed.
25. The route map showing directions to reach the venue of the Ninth AGM is given at the end of this Annual Report as required under Secretarial Standards - 2 issued by ICSI.

**EXPLANATORY STATEMENT PURSUANT TO SECTION 102 (1) OF THE COMPANIES ACT, 2013 :**

The Statement sets out all the material facts relating to the special business under item No. 4 of the accompanying Notice.

**Item No. 4**

As per the provisions of section 20 of the Companies Act, 2013 a document may be served on any member by sending it to him by Post or by Registered post or by Speed post or by Courier or by delivering at his office or address or by such electronic or other mode as may be prescribed. It further provides that a member can request for delivery of any document to him through a particular mode for which he shall pay such fees as may be determined by the company in its Annual General Meeting.

Therefore, to enable the members to avail of this facility, it is necessary for the Company to determine the fees to be charged for delivery of a document in a particular mode, as mentioned in the resolution.

Since the Companies Act, 2013 requires the fees to be determined in the Annual General Meeting, the Directors accordingly commend the Ordinary Resolution at item no. 4 of the accompanying notice, for the approval of the members of the Company.

None of the Directors and/or Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the resolution set out at item no.4 of the accompanying Notice.

By order of the Board of Directors  
For **SHREE PRECOATED STEELS LIMITED**

**Place:** Mumbai  
**Date:** 18<sup>th</sup> August, 2017

**HARSH L. MEHTA**  
**MANAGING DIRECTOR**  
(DIN: 01738989)

**CIN:** L70109MH2007PLC174206

**Registered Office:**

1, Ground Floor, Citi Mall, New Link Road, Andheri (W),  
Mumbai - 400 053, Maharashtra,  
**Tel.:** +91-22-65526677, **Email Id:** spsl.investors@gmail.com  
**Website:** www.spsl.com

**ANNEXURE I****TO ITEM NO. 3 OF THE NOTICE**

Details of Directors seeking appointment and re-appointment at the ensuing Annual General Meeting (Pursuant to Regulation 36(3) of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015

<b>Name of the Director</b>	<b>Nilesh H. Sarvaiya</b>
Date of Birth	07/04/1969
Nationality	Indian
Date of Appointment on the Board	30/01/2010
Qualifications	B.com DBM Mumbai
Expertise in specific functional area	Trading in Electrical Equipments
Number of shares held in the Company	NIL
List of the directorships held in other Public companies	1. Prudential Leasing Limited. 2. Parsuns Traders Limited
Chairman/ Member in the Committees of the Boards of Companies in which he is Director	NIL
Relationships between Directors inter-se	NA

**IMPORTANT COMMUNICATION TO MEMBERS**

The Ministry of Corporate Affairs has taken a "Green Initiative in the Corporate Governance" by allowing paperless compliances by the companies and has issued circulars stating that the service of notice / documents including Annual Report can be sent by e-mail to its members. To support this green initiative of the Government in full measure, members who have not registered their e-mail address, so far, are requested to register their e-mail address in respect of electronic holdings with the Depository through their concerned Depository Participants. We are sure, that as a responsible citizen, you will whole-heartedly support this initiative and will co-operate with the Company in implementing the same.





## DIRECTORS' REPORT AND MANAGEMENT DISCUSSION ANALYSIS

Dear Shareholders,

The Directors of your company are presenting their 9<sup>th</sup> Annual Report together with the Audited Statement of Accounts of **Shree Precoated Steels Limited** for the year ended 31<sup>st</sup> March, 2017.

### FINANCIAL RESULTS:

(₹ in lakhs)

Particulars	For the year ended March 31 <sup>st</sup> , 2017	For the year ended March 31 <sup>st</sup> , 2016
Revenue from Operations (net)	290.05	1284.98
Other Income	-	-
<b>Total Revenue</b>	<b>290.05</b>	1284.98
Less: Total Expenses	405.77	1878.72
Profit / (Loss) before Exceptional Items & Tax	(115.72)	(593.74)
Exceptional Item	(461.04)	-
Profit/(Loss) before Taxation	(576.76)	(593.74)
Less: Tax Expense	-	-
<b>Profit/(Loss) after tax</b>	<b>(576.76)</b>	(593.74)
Less: Minority Interest	-	-
Profit attributable to the shareholders of the Company	-	-
Opening balance in Statement of Profit and Loss	(13,966.70)	(13,372.96)
Amount available for appropriation	-	-
Transfer to General Reserve	-	-
<b>Closing Balance in the Statement of Profit / (Loss)</b>	<b>(14,543.46)</b>	(13,966.70)

### OPERATIONAL REVIEW :

Your Company posted Net Revenues (from operations) of ₹ 290.05 Lakhs and Net Loss of ₹ 576.76 Lakhs for F.Y. 2016-17. The Net Revenues and Net Loss for F.Y. 2015-16 was ₹ 1284.98 Lakhs and ₹ 593.74 Lakhs respectively. Since the Company has incurred a loss, no amount is available for appropriation.

### SHARE CAPITAL OF THE COMPANY:

The Paid up Equity Share Capital, as on 31<sup>st</sup> March, 2017 was ₹ 82,79,80,420/- divided into 8,27,98,042 Equity shares, having face value of ₹ 10/- each fully paid up. During the year under review, the Company has not issued any shares with differential voting rights nor granted any stock options neither sweat equity.

### DIVIDEND:

Your Directors regret their inability to recommend any dividend since the Company has suffered loss during the current financial year.

### SUBSIDIARIES & ASSOCIATE COMPANIES:

The Company does not have any Subsidiary or Associate Company.

### PUBLIC DEPOSITS:

Your Company has not accepted any deposits within the meaning of Section 73 of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014.

### PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS:

There is no loan given, investment made, guarantee given or security provided by the Company to any entity covered under Section 186 of Companies Act, 2013.

### RELATED PARTY TRANSACTIONS:

During the financial year under review, all related party transactions entered into by the Company were on arm's length basis and in the ordinary course of the business. All Related Party Transactions were placed before the Audit Committee for approval. There are no materially significant related party transactions made by the company with Promoters, Key Managerial Personnel or other designated persons which may have potential conflict with interest of the company at large.

All Related Party Transaction are placed before the audit committee & given in the Notes annexed to & forming part of this Financial Statement. The approved policy on Related Party Transaction is also available on the website of the Company.



## CORPORATE GOVERNANCE :

Corporate governance is about maximizing shareholder value legally, ethically and sustainably. At SPSL, the Company is committed to maintain the highest standards of corporate governance and adhere to the corporate governance requirements set out by the Securities and Exchange Board of India (SEBI). A detailed report on corporate governance is available as a separate section in this Annual Report. Certificate of the Statutory Auditors regarding compliance with the conditions stipulated as per SEBI (LODR) Regulations, 2015, is also forms part of this Annual Report.

## BOARD OF DIRECTORS:

As on 31<sup>st</sup> March, 2017, the Board comprised of 1 (one) Executive Director, 3 (three) Non-Executive Director Independent Directors and 1 (one) Non-Executive Director

### Independent Director's Declaration

All independent directors have given declarations that they meet the criteria of independence as laid down under section 149(6) of the Companies Act, 2013 and under regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

### Number of Meetings of the Board

The Board of Directors of the Company met six times during the financial year 2016-17. 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 Companies Act, 2013 and SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015.

### Board Committees

There are currently four Committees of the Board as under:

1. Audit Committee;
2. Nomination and Remuneration Committee;
3. Stakeholders' Relationship Committee; and
4. Corporate Social Responsibility Committee;

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

## DIRECTORS & KEY MANAGERIAL PERSONNEL:

Following changes took place in the directorship and key managerial personnel (hereinafter called 'KMP') of the company.

### Appointment of Directors and KMP

Mr. Harsh L. Mehta (DIN No. 01738989) has been appointed as Managing Director at 8<sup>th</sup> Annual General Meeting of the Company for a period of 5 (Five) year w.e.f 24<sup>th</sup> May, 2016 upto 23<sup>rd</sup> May, 2021.

Mr. Akshay R. Sharma appointed as Asst. Company Secretary and Key Managerial Personnel by the Board of Directors of the Company with effect from 24<sup>th</sup> March, 2017.

### Change in Designation

Mr. Nilesh H. Sarvaiya (DIN:00799636) change in designation from Independent Director to Non-Executive Director with

effect from 30<sup>th</sup> June, 2016, duly approved by the Shareholders at their meeting held on 26<sup>th</sup> August, 2016.

### Retirement by Rotation

In accordance with the provision of section 152 of the Companies Act, 2013 & Article of Association of the company, Mr. Nilesh H. Sarvaiya (DIN No. 00799636) Non-Executive Director of the company retire by rotation at the ensuing Annual General Meeting and being, has eligible, offered himself for re-appointment.

### Resignation of Directors and KMP

Mr. Sanjay C. Ajmera (DIN: 00012696) Managing Director and Key Managerial Personnel of the Company resigned on 23<sup>rd</sup> May, 2016.

Mr. Dhaval R. Ajmera (DIN: 00012504) Director on the Board of the Company resigned on 24<sup>th</sup> May, 2016.

Ms. Nitika S. Singh Asst. Company Secretary and Key Managerial Personnel of the company resigned on 23<sup>rd</sup> March, 2017.

## BOARD EVALUATION :

Pursuant to the provisions of the Companies Act, 2013 and under regulation 25 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board has carried out an annual evaluation of its own performance, the directors individually as well as the evaluation of the working of its Committees. The performance of the board was evaluated by the Nomination and Remuneration Committee after seeking inputs from all the directors on the basis of the criteria such as the board composition and structure, effectiveness of board processes, information and functioning, etc. The performance of the committees was evaluated by the board after seeking inputs from the committee members on the basis of the criteria such as the composition of committees, effectiveness of committee meetings, etc. The board and the nomination and remuneration committee reviewed the performance of the individual directors on the basis of the criteria such as the contribution of the individual director to the board and committee meetings like preparedness on the issues to be discussed, meaningful and constructive contribution and inputs in meetings, etc. In addition, the chairman was also evaluated on the key aspects of his role.

## FAMILIARIZATION PROGRAM :

The details of training and familiarization program are provided in the Corporate governance report and is also available on our website (<http://www.spsl.com/downloads/familiarisation-of-ID-of-SPSL.pdf>). Further, at the time of the appointment of an independent director, the Company issues a formal letter of appointment outlining his / her role, function, duties and responsibilities. The format of the letter of appointment is also available on our website (<http://www.spsl.com/downloads/policies/Draft-lettercontaining-terms-and-conditions-of-ID.pdf>).

## REMUNERATION TO DIRECTORS :

The remuneration paid to the Directors is in accordance with the Nomination and Remuneration Policy formulated pursuant to the requirement of Section 178 of the Companies Act, 2013 and Regulation 19 of SEBI



(LODR) 2015 (including any statutory modification(s) or re-enactment(s) for the time being in force). The salient aspects covered in the Nomination and Remuneration Policy have been outlined in the Corporate Governance Report which forms part of this report.

#### EXTRACT OF ANNUAL RETURN:

The details forming part of the extract of the Annual Return in form MGT - 9, as required under Section 92 of the Companies Act, 2013, is included in this Report as **Annexure "A"** and forms an integral part of this Report.

#### PARTICULARS OF EMPLOYEES :

The information required under Section 197 of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Companies (Appointment and Remuneration of Managerial Personnel) Amendment Rules, 2014 in respect of Directors / employees of your Company is set out in **Annexure "B"** to this report.

#### CORPORATE SOCIAL RESPONSIBILITY :

In accordance with section 135 of the Act and Rules framed thereunder, the company has constituted a Corporate Social Responsibility (CSR) committee of directors. The details of composition of CSR committee are given in the Corporate Governance Report. The details of CSR of the company have been provided as **Annexure - "C"** to this Report as required under the companies (Corporate Social Responsibility policy) Rules, 2014.

#### AUDITORS:

##### a. Statutory Auditors

The Audit Committee and the Board have recommended the proposal to ratify the appointment of M/s. V. Parekh & Associates, Chartered Accountants (Firm Registration No. 107488W), Statutory Auditors of the Company up to the conclusion of the tenth Annual General Meeting and to authorize the Board of Directors or Committee thereof to fix their remuneration.

The Company has received a certificate from the Auditors to the effect that the ratification of appointment, if made, would be in accordance with limits specified by the Companies Act, 2013 and that, they meet the criteria of independence. The proposal of their ratification is included in the notice of ensuing Annual General Meeting.

The observation made in the Auditors Report & self Explanatory Statement and therefore, do not call for any further comments reservation or adverse remarks or disclaimer made in the Auditors Report which requires any clarification or explanation.

##### b. Secretarial Auditors

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, Secretarial Audit has been carried out by Ms. Shreya Shah, Practising Company Secretary and her report is annexed as **Annexure D** and forms an integral part to this Report.

The Secretarial Audit report does not contain any Qualification, reservation or adverse remarks.

#### PREVENTION OF SEXUAL HARASSMENT AT WORKPLACE :

The Company is committed to provide healthy environment to all employees of Shree Precoated Steels Ltd and does not tolerate any discrimination and/or harassment in any form. The Company has in place a Prevention of Sexual Harassment policy in line with requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

During the Financial Year 2016-17, there were no complaints received by the Company

#### DEPOSITORY SERVICES :

The Company's Equity Shares have been admitted to the depository mechanism of the National Securities Depository Limited (NSDL) and also the Central Depository Services (India) Limited (CDSL). As a result the investors have an option to hold the shares of the Company in a dematerialized form in either of the two Depositories. The Company has been allotted ISIN No. INE318K01017. Shareholders therefore are requested to take full benefit of the same and lodge their holdings with Depository Participants (DPs) with whom they have their Demat Accounts for getting their holdings in electronic form.

#### SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS:

During the year under review, the Hon'ble High Court, Mumbai has disposed off the winding up Company Petition no.7 of 2017 filed by Sideralba SPA (Petitioner) against the Company, on filing the Consent terms mutually agreed by the Company and Petitioner on 20<sup>th</sup> April, 2017 for USD 6,80,000/- equivalent to INR. 461.04 Lakhs.

The Company Petition is disposed off in terms of consent terms w.e.f 20<sup>th</sup> April, 2017.

#### CODE OF CONDUCT:

The Board of Directors has approved a Code of Conduct which is applicable to the Members of the Board and all employees in the course of day to day business operations of the company. The Company believes in "Zero Tolerance" against bribery, corruption and unethical dealings / behaviours of any form and the Board has laid down the directives to counter such acts.

The Code has been posted on the Company's website <http://www.spsl.com/downloads/polices/Code-of-Conduct.pdf>

The Code lays down the standard procedure of business conduct which is expected to be followed by the Directors and the designated employees in their business dealings and in particular on matters relating to integrity in the work place, in business practices and in dealing with stakeholders. The Code gives guidance through examples on the expected behavior from an employee in a given situation and the reporting structure.



All the Board Members and the Senior Management personnel have confirmed compliance with the Code. All Management Staff were given appropriate training in this regard.

## **VIGIL MECHANISM:**

Your company has in place a vigil mechanism for Director & employees to report instances & concerns about unethical behavior, actual or suspected Fraud or violation of your company code of conduct. Adequate safeguards are provided against victimization to those who avail the mechanism & direct access to the chairman of audit committee in exceptional cases is provide to them.

The Vigil mechanism is accessible on your company's website viz. [www.spsl.com](http://www.spsl.com).

## **FRAUD REPORTING:**

There was no fraud reported by the auditors of the company under section 143(12) of the companies act, 2013, to the audit committee or the Board of Director during the year under review.

## **DIRECTOR'S RESPONSIBILITY STATEMENT:**

As required under the provision of Section 134 of the Companies act 2013, your Director's State that:

- (a) In the preparation of the Annual Accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures, if any;
- b) The Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;
- c) The Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- d) The Directors had prepared the annual accounts on a going concern basis;
- e) The Directors, had laid down internal financial controls to be followed by the company and that such internal

financial controls are adequate and were operating effectively.

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

## **CONSERVATION OF ENERGY & TECHNOLOGY ABSORPTION:**

The provisions of Section 134(3)(m) of the Companies Act, 2013, relating to conservation of energy and technology absorption are not applicable to the Company. However, the Company has been continuously and extensively using technology in its operations.

Foreign Exchanges used for settlement of winding up petition no. 7 of 2017 filed by SIDERALBA (SPA) for USD 6, 80,000.

## **RISK MANAGEMENT:**

The Audit Committee has also been delegated the responsibility for monitoring and reviewing risk management, assessment and minimization procedures, developing, implementing and monitoring the risk management plan and identifying, reviewing and mitigating all elements of risks which the Company may be exposed to. The Board also reviews the risk management assessment and minimization procedures.

## **ACKNOWLEDGEMENT:**

We are grateful to the Government of India, the Reserve Bank of India, the Securities and Exchange Board of India, the Stock Exchange, other regulatory authorities for their valuable guidance and support and wish to express our sincere appreciation for their continued co-operation and assistance. We look forward to their continued support in future. We wish to thank our investors, rating agencies, customers and all other business associates for their support.

Your Directors express their deep sense of appreciation for all the employees whose commitment, co-operation, active participation, dedication and professionalism has made the organization's growth possible. Finally, the Directors thank you for your continued trust and support.

By order of the Board of Directors  
For **SHREE PRECOATED STEELS LIMITED**

**Place:** Mumbai

**Date:** 18<sup>th</sup> August, 2017

**CIN:** L70109MH2007PLC174206

### **Registered Office:**

1, Ground Floor, Citi Mall, New Link Road, Andheri (W),  
Mumbai, Maharashtra - 400 053

**Tel.:** +91-22-65526677, **Email Id:** [spsl.investors@gmail.com](mailto:spsl.investors@gmail.com)

**Website:** [www.spsl.com](http://www.spsl.com)

**HARSH L. MEHTA**

**MANAGING DIRECTOR**

(DIN: 01738989)

**NILESH SARVAIYA**

**NON EXECUTIVE DIRECTOR**

(DIN: 0000799636)



## MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Management's Discussion and Analysis Report for the year ended under review, as stipulated under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 include the following:-

### INDUSTRY REVIEW:

Northern part of India accounts for 40% of steel consumption, and the domestic steel industry has immense potential, and will grow manifold in the forthcoming years, as claimed by the Political views at the recent "Make in India - Make Steel" conferences. The domestic steel industry is passing through a crucial phase and to continue with the growth, the industry will need constant diversification and innovation.

The Indian steel industry will continue to go under several adverse conditions to reach sustainability.

FCI has plans to construct 100 lakh tonne steel silos by 2020 in the northern states of India and this region will play a major role in the future.

The demography of the steel industry has changed in the last few years, and a greater number of plants are incorporating modern technology to enhance the production quality. Steel demand outlook is also improving with the government's affordable housing program and likely start of an investment cycle by FY19. With ₹ 4 Lakh crores of Investment planned in Infrastructure sector, there is huge opportunity in increase in consumption and demand while globally steel demand has been projected to grow 0.5% in 2017-2018, so the demand in India is anticipated to grow 10 times the world levels in 217-18. Make in India-Steel has been conceptualized to meet the increased consumption of steel.

### 1. Overview

The Management have rich experience of over four decades in the Steel related business and Real Estate business and have developed and established excellent business relationships in the Industry which can be helpful to the Company to form a strategic alliance with them in the future. The goodwill and expertise of the Company and Management is the greatest strength.

The Company has currently traded in Development rights and is exploring opportunities in real estate development and redevelopment projects. The company is focusing on projects related to trading of flats, development rights and investment in real estate, if right opportunity exists.

### 2. Outlook on Opportunities and challenges

In order to utilize their expertise and knowledge of the Management, the Company is undertaking construction contracts, trading in flats, trading in Development rights and so on. The Company has earned its income during the year from such projects. The Company may also enter into venture of redevelopment projects, if sound opportunity persists.

The Company's Management has niche in real estate market, since ages which is a boon to the Company and adds strength to the company's performance. Expansion and entering into the construction contracts are most likely arena of the year.

### OPPORTUNITIES:

As India awaits policy reforms to pick up speed, your Company firmly believes that the demand for Real Estate in a country like India should remain strong in the medium to long term. The opportunities to the Steel and Real Estate Sector has grown manifold. The Automotive industry is expected to grow in size by USD 74 Billion to USD 260-300 billion by 2026. With increasing capacity addition, the demand from steel sector will grow robust. Corporate India's capex is expected to grow and generate greater demand for steel. The infrastructure growth of India is co-related to Growth of Steel Industry. The Infrastructure sector would account to increase the growth in steel sector upto 11% by 2025-26. This is followed by the growth in Railways, Oil and Gas, Power, and Development in Rural India fueling to the growth in Steel Sector.

Similarly the Real Estate is booming with the highest reverence given to transparency and security through introduction of Real Estate (Regulation & Development) Act in India. The Act is a first step in institutionalizing the sector and creating a robust industry wide framework. The Company strongly believes that this will be an enormous help in reviving the customer confidence and increasing transparency in the sector. The Act aims at protection of consumer rights and interests and shall be beneficial for the sector in the long run.

### CHALLENGE:

While the management of your Company is confident of creating and exploiting the opportunities, it also finds the following challenges in Steel and Real Estate Industry as followed:

- Regulatory Framework:** The need to have a regulatory framework Authority in centre arose in 2015. The RERA Act, is now expected to bring transparency in



the sector .This will also help check delay in delayed possessions and unfair practices;

2. **Lending Rate:** With the rate of interest being high and unchanged for a long period of time and also cost of living increasing ,not many buyers were able to take the step ahead and own a house.
3. **Slow approvals:** Streamlining the approval process is another issue faced by the Authorities. Delayed approval continue to pose lot of challenges for the developer community .Delays cost increase in prices,loss of confidence of investors and more pilation of stock. Single Window Clearance is long awaited and much anticipated for ease of Industry.
4. **Land cost:** In order to implement affordable housing for all,Government should offer land at subsidized rates.Further ,the success of "Housing for ALL by 2022 "requires a close coordination between Government and Private bodies .

5. **Increased cost of finance:** The overall sentiment remain subdued due to lack of Investment support in the market. Insufficient funds posed a tough challenge for the developers.

### CAUTIONARY STATEMENT :

The above Management Discussion and Analysis contains certain forward looking statements within the meaning of applicable security laws and regulations. These pertain to the Company's future business prospects and business profitability, which are subject to a number of risks and uncertainties and the actual results could materially differ from those in such forward looking statements. The Company does not undertake to make any announcement in case any of these forward looking statements become materially incorrect in future or update any forward looking statements made from time to time on behalf of the Company.



**ANNEXURE “A”**  
**FORM NO. MGT-9**  
**EXTRACT OF ANNUAL RETURN**

as on the financial year ended on 31<sup>st</sup> March, 2017

[Pursuant to Section 92(3) of the Companies act, 2013 read with  
The Companies (Management and Administration) Rules, 2014 FORM NO. MGT-9”]

**(A) REGISTRATION AND OTHER DETAILS:**

<b>CIN</b>	L70109MH2007PLC174206
<b>Registration Date</b>	17 <sup>th</sup> September, 2007
<b>Name of the Company</b>	Shree Precoated Steels Limited
<b>Category of the Company</b>	Company Limited by Shares
<b>Sub-category of the Company</b>	Indian Non-Government Company
<b>Address of the Registered office &amp; contact details</b>	1, Ground Floor, Citi Mall, New Link Road, Andheri (West), Mumbai - 400053 Tel: +91 22 65526677 Email: spsl.investors@gmail.com Website: www.spsl.com
<b>Whether listed company (Yes / No)</b>	Yes, Listed on BSE.
<b>Name, Address &amp; contact details of the Registrar &amp; Transfer Agent</b>	Sharex Dynamic (India) Private Limited Unit -1, Luthra Ind. Premises, 44-E, M. Vsanti Marg, Andheri Kurla Road, Safed Pool, Andheri (East), Mumbai - 400072 Tel: 91 22 28515606/ 91 22 2851 5644 Email: investors@sharexindia.com Web: www.sharexindia.com

**(B) PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY:**

All the business activities contributing 10% or more of the total turnover of the Company shall be stated:-

Sr. No.	Name and Description of main products / services	NIC Code of the Product/ service % to total turnover of the company	% to total turnover of the company
a.	Real Estate Activities	6810 & 6820	100

**(C) PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:**

Sr. No.	Name & Address of the Company	CIN/GLN	HOLDING / SUBSIDIARY / ASSOCIATE	% of shares held
a.	----- Not Applicable -----			



## SHREE PRECOATED STEELS LIMITED

### (D) SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

#### i. Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year 01.04.2016				No. of Shares held at the end of the year 31.03.2017				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>(A) PROMOTERS</b>									
<b>(1) INDIAN</b>									
(a) Individual/HUF	44032362	0	44032362	53.180	44033512	1364	44034876	53.183	0.003
(b) Central Govt.	0	0	0	0	0	0	0	0	0
(c) State Govt(s)	0	0	0	0	0	0	0	0	0
(d) Bodies	8039906	0	8039906	9.710	8039906	0	8039906	9.710	0
(e) FIINS/	0	0	0	0	0	0	0	0	0
(f) Any Other	0	0	0	0	0	0	0	0	0
<b>Sub-total (A1)</b>	<b>52072268</b>	<b>0</b>	<b>52072268</b>	<b>62.890</b>	<b>52073418</b>	<b>1364</b>	<b>52074782</b>	<b>62.893</b>	<b>0.003</b>
<b>(2) FOREIGN</b>									
(a) Individual NRI / For Ind	0	0	0	0	0	0	0	0	0
(b) Other Individual	0	0	0	0	0	0	0	0	0
(c) Bodies Corporates	0	0	0	0	0	0	0	0	0
(d) Banks / FII	0	0	0	0	0	0	0	0	0
(e) Qualified Foreign Investor	0	0	0	0	0	0	0	0	0
(f) Any Other Specify	0	0	0	0	0	0	0	0	0
<b>Sub-total (A2)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Total A=(A1 +A2)</b>	<b>52072268</b>	<b>0</b>	<b>52072268</b>	<b>62.890</b>	<b>52073418</b>	<b>1364</b>	<b>52074782</b>	<b>62.893</b>	<b>0.003</b>
<b>(B) (1). PUBLIC SHAREHOLDING</b>									
(a) Mutual Funds	504	0	504	0.001	504	0	504	0.001	0.000
(b) Banks / FI	252	0	252	0.000	217	0	217	0.000	0.000
(c) Central Govt.	0	0	0	0	0	0	0	0	0.000
(d) State Govt.	0	0	0	0	0	0	0	0	0.000
(e) Venture Capital Funds	0	0	0	0	0	0	0	0	0.000
(f) Insurance Companies	0	0	0	0	0	0	0	0	0.000
(g) FIs	3781	0	3781	0.005	0	0	0	0	-0.005
(h) Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	0.000
(i). Others (specify)	0	0	0	0	0	0	0	0	0.000
<b>Sub-total (B1):-</b>	<b>4537</b>	<b>0</b>	<b>4537</b>	<b>0.006</b>	<b>721</b>	<b>0</b>	<b>721</b>	<b>0.001</b>	<b>-0.005</b>





Category of Shareholders	No. of Shares held at the beginning of the year 01.04.2016				No. of Shares held at the end of the year 31.03.2017				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>(2) NON-INSTITUTIONS</b>									
<b>(a) Bodies Corp.</b>									
(i) Indian	1310761	854	1311615	1.584	1041498	854	1042352	1.259	-0.325
(ii) Overseas	0	0	0	0	0	0	0	0	0.000
<b>(b) Individuals</b>									
(i) Individual shareholders holding nominal share capital upto Rs.1 lakh	8319007	261036	8580043	10.363	8503603	258972	8762575	10.583	0.220
(ii) Individual shareholders holding nominal share capital in excess of Rs.1 lakh	19636526	0	19636526	23.716	19327368	0	19327368	23.343	-0.373
<b>(c) Other (specify)</b>									
Non Resident Indians	1043765	4788	1048553	1.266	1099466	4788	1104254	1.334	0.068
Overseas Corporate Bodies	0	0	0	0	2644	0	2644	0.003	0.003
Foreign Nationals	0	0	0	0	0	0	0	0	0
Clearing Members	144500	0	144500	0.175	483346	0	483346	0.584	0.409
Trusts	0	0	0	0	0	0	0	0	0
Foreign Bodies - D R	0	0	0	0	0	0	0	0	0
<b>Sub-total (B2):-</b>	<b>30454559</b>	<b>266678</b>	<b>30721237</b>	<b>37.104</b>	<b>30457925</b>	<b>264614</b>	<b>30722539</b>	<b>37.106</b>	<b>0.002</b>
<b>Total Public Shareholding B=(B1 + B2)</b>	<b>30459096</b>	<b>266678</b>	<b>30725774</b>	<b>37.110</b>	<b>30458646</b>	<b>264614</b>	<b>30723260</b>	<b>37.107</b>	<b>-0.003</b>
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Grand Total (A+B+C)</b>	<b>82531364</b>	<b>266678</b>	<b>82798042</b>	<b>100.00</b>	<b>82532064</b>	<b>265978</b>	<b>82798042</b>	<b>100.00</b>	<b>0</b>

## ii. Shareholding of the Promoters

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year 01.04.2016			Shareholding at the end of the year 31.03.2017			% change in share holding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	FAHRENHEIT FUN AND GAMES PRIVATE LIMITED	5833333	7.045	0	5833333	7.045	0	0
2	VIMLABEN B AJMERA	3683253	4.448	0	3683253	4.448	0	0
3	CHHOTALAL S AJMERA	3433304	4.147	0	3433304	4.147	0	0
4	RAJNIKANT S AJMERA . HUF	2111074	2.55	0	2111074	2.55	0	0
5	RAJNIKANT S AJMERA	2096909	2.533	0	2096909	2.533	0	0

**SHREE PRECOATED STEELS LIMITED**

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year 01.04.2016			Shareholding at the end of the year 31.03.2017			% change in share holding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
6	CHARMI J AJMERA	8078	0.01	0	938940	1.134	0	1.124
7	JAYANT ISHWARLAL AJMERA	1861725	2.249	0	0	0	0	-2.249
8	DHAVAL R AJMERA	1839910	2.222	0	1839910	2.222	0	0
9	CHHOTALAL S AJMERA HUF	1773002	2.141	0	1773002	2.141	0	0
10	MANOJ I AJMERA	1384435	1.672	0	1751655	2.116	0	0.444
11	SHASHIKANT SHAMALJI AJMERA	1694152	2.046	0	1694152	2.046	0	0
12	SANJAY C AJMERA	1686472	2.037	0	1686472	2.037	0	0
13	BHARTI R AJMERA	1644615	1.986	0	1644615	1.986	0	0
14	BHAVANA S AJMERA	1642233	1.983	0	1642233	1.983	0	0
15	AJMERA CEMENTS PRIVATE LTD	1505702	1.819	0	1505702	1.819	0	0
16	MAYUR S AJMERA	1496908	1.808	0	1496908	1.808	0	0
17	MUMUKSHU A AJMERA	1496182	1.807	0	1496182	1.807	0	0
18	KOKILABEN SHASHIKANT AJMERA	1421817	1.717	0	1421817	1.717	0	0
19	PRACHI DHAVAL AJMERA	1412051	1.705	0	1412051	1.705	0	0
20	ATUL C AJMERA	1251586	1.512	0	1251586	1.512	0	0
21	RUSHI M AJMERA	1150940	1.39	0	1150940	1.39	0	0
22	BHANUMATI CHHAGANLAL AJMERA	1149969	1.389	0	1149969	1.389	0	0
23	HETAL S AJMERA	1059182	1.279	0	1059182	1.279	0	0
24	NATWARLAL S AJMERA	1057927	1.278	0	1059077	1.279	0	0.001
25	ISHWARLAL S AJMERA HUF	1037027	1.252	0	1037027	1.252	0	0
26	SONALI A AJMERA	1001423	1.209	0	1001423	1.209	0	0
27	RUPAL M AJMERA	940956	1.136	0	940956	1.136	0	0
28	HENALI JAYANT AJMERA	0	0	0	932227	1.126	0	0.002
29	JYOTIBEN N AJMERA	921713	1.113	0	921713	1.113	0	0
30	SANJAY C AJMERA HUF	906108	1.094	0	906108	1.094	0	0
31	AAGNA S AJMERA	836108	1.01	0	836108	1.01	0	0
32	ATUL C AJMERA HUF	776608	0.938	0	776608	0.938	0	0
33	RUSHABH INVESTMENT PRIVATE LIMITED	700000	0.845	0	700000	0.845	0	0
34	CHHAGANLAL S AJMERA	479461	0.579	0	479461	0.579	0	0
35	ISHWARLAL S AJMERA	367220	0.444	0	0	0	0	-0.444
36	TANVI M AJMERA	311775	0.377	0	311775	0.377	0	0
37	AASHISH ATUL AJMERA	77777	0.094	0	77777	0.094	0	0
38	SONAL BIMAL MEHTA	9490	0.011	0	9490	0.011	0	0
39	MEGHA S AJMERA	8043	0.01	0	8043	0.01	0	0
40	BIMAL ANANTRAI MEHTA	2100	0.003	0	2100	0.003	0	0
41	CHAITALI INVESTMENT PVT LTD	871	0.001	0	871	0.001	0	0
42	RITA MITUL MEHTA	805	0.001	0	805	0.001	0	0
43	HARSHADRAI MULJI SARVAIYA	24	0	0	24	0	0	0



## iii. Change in the Promoters Shareholding (Please specify, if there is no change)

Sr. No	Names of Shareholder	Shareholding at the beginning of the year		Cumulative shareholding during the year	
		No. of Shares	% of total shares of the company	No of shares	% of total shares of the company
<b>1</b>	<b>MANOJ I AJMERA</b>				
	At the beginning of the year	1384435	1.672	1384435	1.672
	Transmission (from Ishwarlal S. Ajmera) on 29 <sup>th</sup> April 2016	367220	0.444	1751655	2.116
	<b>-Closing Balance</b>			<b>1751655</b>	<b>2.116</b>
<b>2</b>	<b>NATWARLAL S AJMERA</b>				
	At the beginning of the year	1057927	1.278	1057927	1.278
	Purchase on 17 <sup>th</sup> February 2017	150	0.00018	1058077	1.278
	Purchase on 3 <sup>rd</sup> March 2017	1000	0.0012	1059077	1.279
	<b>-Closing Balance</b>			<b>1059077</b>	<b>1.279</b>
<b>3</b>	<b>CHARMI J AJMERA</b>				
	At the beginning of the year	8078	0.01	8078	0.01
	Transmission (from Jayant I. Ajmera) on 2 <sup>nd</sup> September 2016	1861725	2.248	1869803	2.258
	Transfer on 7 <sup>th</sup> October 2016	-930863	-1.124	938940	1.134
	<b>-Closing Balance</b>			<b>938940</b>	<b>1.134</b>
<b>4</b>	<b>HENALI JAYANT AJMERA</b>				
	At the beginning of the year	1364	0.002	1364	0.002
	Transfer from Charmi J. Ajmera on 7 <sup>th</sup> October 2017	930863	1.124	932227	1.126
	<b>-Closing Balance</b>			<b>932227</b>	<b>1.126</b>
<b>5</b>	<b>JAYANT ISHWARLAL AJMERA</b>				
	At the beginning of the year	1861725	2.249	1861725	2.249
	Transmission to his Nominee Charmi J. Ajmera on 2 <sup>nd</sup> September 2016	-1861725	-2.249	0	0
	<b>-Closing Balance</b>			<b>0</b>	<b>0</b>
<b>6</b>	<b>ISHWARLAL S AJMERA</b>				
	At the beginning of the year	367220	0.444	367220	0.444
	Transmission to his Nominee Manoj I. Ajmera on 29 <sup>th</sup> April 2016	-367220	-0.444	0	0
	<b>-Closing Balance</b>			<b>0</b>	<b>0</b>

## iv. Shareholding Pattern of top ten Shareholders (Other than Promoters, Directors and Holders of ADRs, GDRs)

Sr. No.	Name of the Shareholders	Share holding at the beginning of the Year		Cumulative Share holding during the year	
		No. of Shares	% of total shares of the company	No of shares	% of total shares of the company
<b>1</b>	<b>NIMISH S AJMERA</b>				
	At the beginning of the year	1711022	2.067	1711022	2.067
	<b>-Closing Balance</b>			<b>1711022</b>	<b>2.067</b>
<b>2</b>	<b>ASHWIN B AJMERA</b>				
	At the beginning of the year	1199998	1.449	1199998	1.449
	<b>-Closing Balance</b>			<b>1199998</b>	<b>1.449</b>
<b>3</b>	<b>ROOPA SHAILESH AJMERA</b>				
	At the beginning of the year	995145	1.202	995145	1.202
	<b>-Closing Balance</b>			<b>995145</b>	<b>1.202</b>
<b>4</b>	<b>TWISHAL N AJMERA</b>				
	At the beginning of the year	974625	1.177	974625	1.177
	<b>-Closing Balance</b>			<b>974625</b>	<b>1.177</b>
<b>5</b>	<b>BANDISH B AJMERA</b>				
	At the beginning of the year	887069	1.071	887069	1.071
	<b>-Closing Balance</b>			<b>887069</b>	<b>1.071</b>



## SHREE PRECOATED STEELS LIMITED

Sr. No.	Name of the Shareholders	Share holding at the beginning of the Year		Cumulative Share holding during the year	
		No. of Shares	% of total shares of the company	No of shares	% of total shares of the company
<b>6</b>	<b>NIMISH S AJMERA . HUF</b>				
	At the beginning of the year	883127	1.067	883127	1.067
	<b>-Closing Balance</b>			<b>883127</b>	<b>1.067</b>
<b>7</b>	<b>MONA B AJMERA</b>				
	At the beginning of the year	725368	0.876	725368	0.876
	<b>-Closing Balance</b>			<b>725368</b>	<b>0.876</b>
<b>8</b>	<b>SHAIKESH B AJMERA</b>				
	At the beginning of the year	663670	0.802	663670	0.802
	<b>-Closing Balance</b>			<b>663670</b>	<b>0.802</b>
<b>9</b>	<b>MANOJKUMAR BRAHMBHATT</b>				
	At the beginning of the year	651636	0.787	651636	0.787
	<b>-Closing Balance</b>			<b>651636</b>	<b>0.787</b>
<b>10</b>	<b>SHASHIKANT S AJMERA HUF</b>				
	At the beginning of the year	598416	0.723	598416	0.723
	<b>-Closing Balance</b>			<b>598416</b>	<b>0.723</b>
<b>11</b>	<b>ANIL KUMAR MISRA</b>				
	<b>At the beginning of the year</b>	2177029	2.629	2177029	2.629
	Purchase on 8 <sup>th</sup> April 2016	30224	0.037	2207253	2.666
	Purchase on 15 <sup>th</sup> April 2016	2250	0.003	2209503	2.669
	Sale on 22 <sup>nd</sup> April 2016	-9460	-0.012	2200043	2.657
	Purchase on 6 <sup>th</sup> May 2016	378	0.001	2200421	2.658
	Sale on 13 <sup>th</sup> May 2016	-4855	-0.006	2195566	2.652
	Sale on 10 <sup>th</sup> June 2016	-84676	-0.103	2110890	2.549
	Sale on 17 <sup>th</sup> June 2016	-14800	-0.017	2096090	2.532
	Sale on 24 <sup>th</sup> June 2016	-45040	-0.055	2051050	2.477
	Sale on 30 <sup>th</sup> June 2016	-9727	-0.012	2041323	2.465
	Sale on 8 <sup>th</sup> July 2016	-27592	-0.033	2013731	2.432
	Sale on 15 <sup>th</sup> July 2016	-11000	-0.013	2002731	2.419
	Sale on 22 <sup>nd</sup> July 2016	-2600	-0.003	2000131	2.416
	Sale on 29 <sup>th</sup> July 2016	-25223	-0.031	1974908	2.385
	Sale on 5 <sup>th</sup> August 2016	-38343	-0.046	1936565	2.339
	Purchase on 12 <sup>th</sup> August 2016	23792	0.029	1960357	2.368
	Sale on 2 <sup>nd</sup> September 2016	-38813	-0.047	1921544	2.321
	Sale on 16 <sup>th</sup> September 2016	-30944	-0.038	1890600	2.283
	Sale on 23 <sup>rd</sup> September 2016	-12830	-0.015	1877770	2.268
	Sale on 30 <sup>th</sup> September 2016	-34758	-0.042	1843012	2.226
	Sale on 7 <sup>th</sup> October 2016	-22309	-0.027	1820703	2.199
	Sale on 14 <sup>th</sup> October 2016	-4910	-0.006	1815793	2.193
	Sale on 28 <sup>th</sup> October 2016	-62680	-0.076	1753113	2.117
	Sale on 4 <sup>th</sup> November 2016	-5175	-0.006	1747938	2.111
	Sale on 18 <sup>th</sup> November 2016	-9200	-0.011	1738738	2.100
	Sale on 25 <sup>th</sup> November 2016	-40170	-0.049	1698568	2.051
	Sale on 2 <sup>nd</sup> December 2016	-63249	-0.076	1635319	1.975
	Sale on 9 <sup>th</sup> December 2016	-95069	-0.115	1540250	1.860
	Sale on 16 <sup>th</sup> December 2016	-141848	-0.171	1398402	1.689
	Sale on 23 <sup>rd</sup> December 2016	-26590	-0.032	1371812	1.657
	Sale on 30 <sup>th</sup> December 2016	-47071	-0.057	1324741	1.600
	Sale on 6 <sup>th</sup> January 2017	-98311	-0.119	1226430	1.481
	Sale on 13 <sup>th</sup> January 2017	-54878	-1.547	1171552	1.415
	Sale on 20 <sup>th</sup> January 2017	-71505	-0.086	1100047	1.329
	Sale on 27 <sup>th</sup> January 2017	-149023	-0.180	951024	1.149
	Sale on 3 <sup>rd</sup> February 2017	-110347	-0.134	840677	1.015
	Sale on 10 <sup>th</sup> February 2017	-109966	-0.132	730711	0.883
	Sale on 17 <sup>th</sup> February 2017	-30711	-0.038	700000	0.845
	Sale on 24 <sup>th</sup> February 2017	-36000	-0.043	664000	0.802



Sr. No.	Name of the Shareholders	Share holding at the beginning of the Year		Cumulative Share holding during the year	
		No. of Shares	% of total shares of the company	No of shares	% of total shares of the company
	Sale on 3 <sup>rd</sup> March 2017	-111305	-0.134	552695	0.668
	Sale on 10 <sup>th</sup> March 2017	-41445	-0.051	511250	0.617
	<b>-Closing Balance</b>			<b>511250</b>	<b>0.617</b>

#### v. Shareholding of Directors and Key Managerial Personnel

Sr. No.	Directors	Shareholding at the beginning of the Year		Cumulative Shareholding during the year	
		No. of Shares at the beginning /end of the Year	% of the Shares of the company	No of shares	% of total Shares of the company
<b>1</b>	<b>Mr. Harsh L. Mehta*</b>				
	At the beginning of the year	0	0	0	0
	At the end of the year			<b>0</b>	<b>0</b>
<b>2</b>	<b>Mr. Sanjay C. Ajmera**</b>				
	At the beginning of the year	1686472	2.037	1686472	2.037
	At the end of the year			<b>1686472</b>	<b>2.037</b>
<b>3</b>	<b>Mr. Dhaval R. Ajmera***</b>				
	At the beginning of the year	1839910	2.222	1839910	2.222
	At the end of the year			<b>1839910</b>	<b>2.222</b>
<b>4</b>	<b>Mr. Ambalal C. Patel</b>				
	At the beginning of the year	4	0	4	0
	At the end of the year			<b>4</b>	<b>0</b>
<b>5</b>	<b>Mr. Jagdish J. Doshi</b>				
	At the beginning of the year	0	0	0	0
	At the end of the year			<b>0</b>	<b>0</b>
<b>6</b>	<b>Ms. Aarti M. Ramani</b>				
	At the beginning of the year	0	0	0	0
	At the end of the year			<b>0</b>	<b>0</b>
<b>7</b>	<b>Mr. Nilesh H. Sarvaiya</b>				
	At the beginning of the year	0	0	0	0
	At the end of the year			<b>0</b>	<b>0</b>
<b>8</b>	<b>Mr. Harish G. Taparua</b>				
	At the beginning of the year	0	0	0	0
	At the end of the year			<b>0</b>	<b>0</b>
<b>9</b>	<b>Ms. Nitika S. Singh****</b>				
	At the beginning of the year	0	0	0	0
	At the end of the year			<b>0</b>	<b>0</b>
<b>10</b>	<b>Mr. Akshay Sharma*****</b>				
	At the beginning of the year	0	0	0	0
	At the end of the year			<b>0</b>	<b>0</b>

Note: \* Appointed as a Managing Director & KMP w.e.f 24<sup>th</sup> May, 2016

\*\* Ceased to be a Managing Director w.e.f 23<sup>rd</sup> May, 2016

\*\*\*Ceased to be Director w.e.f 24<sup>th</sup> May, 2016

\*\*\*\* Ceased to be Asst. Company Secretary & KMP w.e.f 23<sup>rd</sup> March, 2017

\*\*\*\*\*Appointed as a Asst. Company Secretary & KMP w.e.f 24<sup>th</sup> March, 2017



## vi. Indebtedness

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

(₹ In lakh)

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	20.79	-	-	20.79
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>Total (i + ii + iii)</b>	20.79	-	-	20.79
Change in Indebtedness during the financial year				
• Addition	-	-	-	-
• Reduction	(20.79)	-	-	(20.79)
Net Change	(20.79)	-	-	(20.79)
Indebtedness at the end of the financial year				
i) Principal Amount	-	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>Total (i + ii + iii)</b>	-	-	-	-

## vii. Remuneration of Directors and Key Managerial Personnels

### (a) Remuneration to Managing Director, Whole-time Directors and/or Manager:

(In ₹)

Sr. No.	Particulars of Remuneration	Name of the MD / WTD / Manager			Total Amount
		Mr. Harsh L. Mehta* (Managing Director)	Mr. Sanjay C. Ajmera** (Managing Director)	Mr. Dhaval R. Ajmera*** (Director)	
1	Gross salary	10,32,807	NIL	4,24,882	14,57,689
	(a) Salary as per provisions contained in Section 17(1) of the Income-tax Act, 1961	-	-	-	-
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-	-
	(c) Profits in lieu of salary under Section 17(3) Income-tax Act, 1961	-	-	-	-
2	Stock Option	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission	-	-	-	-
	- as % of profit	-	-	-	-
	- others, specify...	-	-	-	-
5	Others, please specify	-	-	-	-
	<b>Total (A)</b>	<b>10,32,807</b>	<b>Nil</b>	<b>4,24,882</b>	<b>14,75,689</b>
	Ceiling as per the Act	Within the limit as approved by the shareholders			

Note: \* Appointed as a Managing Director & KMP w.e.f 24<sup>th</sup> May, 2016

\*\* Ceased to be a Managing Director & KMP w.e.f 23<sup>rd</sup> May, 2016

\*\*\*Ceased to be Director w.e.f 24<sup>th</sup> May, 2016



## b) Remuneration to other directors:

(In ₹)

Sr. No.	Particulars of Remuneration	Name of Directors				Total Amount
		Mr. Jagdish Doshi	Mr. Ambalal Patel	Ms. Aarti Ramani	Mr. Nilesh Sarvaiya	
1.	<b>Independent Directors</b>					
	• Fee for attending board / committee meetings	54,000	54,000	36,000	54,000	1,98,000
	• Commission	-	-	-	-	-
	• Others, please specify	-	-	-	-	-
	<b>Total (1)</b>	<b>54,000</b>	<b>54,000</b>	<b>36,000</b>	<b>54,000</b>	<b>1,98,000</b>
2.	<b>Other Non-Executive Directors</b>	-	-	-	-	-
	• Fee for attending board / committee meetings	-	-	-	-	-
	• Commission	-	-	-	-	-
	• Others, please specify	-	-	-	-	-
	<b>Total (2)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
	<b>Total Managerial Remuneration (B)=(1+2)</b>	<b>54,000</b>	<b>54,000</b>	<b>36,000</b>	<b>54,000</b>	<b>1,98,000</b>
	<b>Overall Ceiling as per the Act</b>	NA				

## c) Remuneration to Key Managerial Personnel, other than MD/Manager/WTD.

(In ₹)

Sr. No.	Particulars of Remuneration	KEY MANAGERIAL PERSONNEL			
		Mr Harish G Taparia (CFO)	Ms. Nitika S. Singh (Asst. Company Secretary)*	Mr. Akshay R. Sharma (Asst. Company Secretary)**	Total Amount
1	Gross salary	16,77,741	4,79,134	6,774	21,63,649
	(b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961	-	-	-	-
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	-	-	-	-
2	Stock Option	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission - as % of profit - others, specify...				
	Others, please specify				
	<b>Total</b>	<b>16,77,741</b>	<b>4,79,134</b>	<b>6,774</b>	<b>21,63,649</b>

Note:\* Ceased to be Asst. Company Secretary w.e.f. 23<sup>rd</sup> March, 2017\*\*Appointed as a Asst. Company Secretary w.e.f. 24<sup>th</sup> March, 2017

## VIII. Penalties/Punishment/ Compounding of Offence:

There were no Penalties/Punishment/ Compounding of Offence for the year ending March 31<sup>st</sup>, 2017.



**ANNEXURE “B”**

**DETAILS OF RATIO OF REMUNERATION TO DIRECTORS**

(As per Section 197(12) of the Companies Act, 2013 read with Rule 5 of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2015 and Companies (Appointment and Remuneration of Managerial Personnel) Amendment Rules, 2016

**Disclosure for SPSL Annual Report**

- (i) The ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year;

Name of the Directors	Ratio to the Median
Mr. Harsh L. Mehta*	1.35
Mr. Dhaval Rajnikant Ajmera**	5.27

\* Appointed as on 24<sup>th</sup> May, 2016

\*\*Ceased to be the director on the Board of the Company w.e.f. 24<sup>th</sup> May, 2016.

- (ii) The percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, in the financial year;

Name of the Directors / KMPs	% Increase
Harsh L. Mehta*	0
Dhaval Rajnikant Ajmera**	0
Sanjay Chhotalal Ajmera	NIL
Harish G. Talaria	10.37
Nitika S. Singh***	5
Akshay R. Sharma****	0

\* Appointed as on 24<sup>th</sup> May, 2016

\*\* Resigned to be the director on the Board of the Company w.e.f. 24<sup>th</sup> May, 2016.

\*\*\* Ceased to be Asst. Company Secretary w.e.f. 23<sup>rd</sup> March, 2017

\*\*\*\*Appointed as a Asst. Company Secretary w.e.f. 24<sup>th</sup> March, 2017

- (iii) In the Financial year, there was an increase of 3.39% in the median remuneration of employees.
- (iv) The number of permanent employees on the rolls of Company as on March 31, 2017 was 4 as against 5 as on March 31<sup>st</sup>, 2016
- (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:

The average % increase given in 15-16 was 5.09 % for all employees who went through the compensation review cycle in the year.

The compensation decisions for each year are taken after considering the following parameters: comparison of SPSL's salaries at various levels with benchmark data and the approved compensation budget as per the financial plan for the year by the management and companies Profitability.

In addition the compensation revision of the senior leadership team is approved by the Compensation Committee (of the Board).

- (vi) It is hereby affirmed that the remuneration paid is as per the remuneration policy for Directors, Key Managerial Personnel (KMP) & other employees.





## ANNEXURE- "C"

## ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

[As per Section 135 of the Companies Act, 2013 and Companies (Corporate Social Responsibility) Rules, 2014]

1	A brief outline of the Company's CSR Policy, including overview of the projects or programs proposed to be undertaken and a reference to the web-link to the CSR Policy and projects or programs	The Company has framed a CSR Policy in compliance with the provisions of the Companies Act, 2013 and the same is placed on the Company's website and the web link for the same is <a href="http://www.spsl.com/downloads/policies/csr-policy-SPSL-final-printed.pdf">http://www.spsl.com/downloads/policies/csr-policy-SPSL-final-printed.pdf</a>
2	The Composition of the CSR Committee	<ol style="list-style-type: none"> <li>1. Mr. Harsh L. Mehta (Chairman)</li> <li>2. Mr. Nilesh H. Sarvaiya (Member)</li> <li>3. Mr. Jagdish J. Doshi (Member)</li> </ol> <p>The Terms of Reference of the Committee are as follows:-</p> <ol style="list-style-type: none"> <li>a. to frame the CSR Policy and its review from time-to-time.</li> <li>b. to ensure effective implementation and monitoring of the CSR activities as per the approved policy, plans and budget.</li> <li>c. to ensure compliance with the laws, rules &amp; regulations governing the CSR and to periodically report to the Board of Directors.</li> </ol>
3	Average net Profits for last three years (In Lakhs)	(55.51)
4	Prescribed CSR Expenditure (two per cent. of the amount as in item 3 above) (Amount in lakhs)	The company was not required to spend / contribute to CSR Activity during the year as per section 135 of the Companies Act, 2013 as average net for the Last 3 year is negative.
5	Details of CSR spent during the Financial year	N.A.
a.	Total amount spent for the financial	N.A
b.	Amount unspent,if any	N.A.

- 6) CSR Committee that the implementation and monitoring of CSR policy is in compliance with CSR Objective and Policy of the company.
- 7) Reason for not spending the two percent of average net profits of last three financial years or any part thereof : Due to net loss in the current financial year, the provision of section 135 of the Companies Act, 2013 is not applicable to the company.

**By Order of the Board of Directors  
For SHREE PRECOATED STEELS LTD.**

**HARSH L. MEHTA  
MANAGING DIRECTOR  
(DIN:01738989)**

**Place:** Mumbai  
**Date:** 18<sup>th</sup> August, 2017



**ANNEXURE D**

**FORM NO. MR-3**

**SECRETARIAL AUDIT REPORT**

**FOR THE FINANCIAL YEAR ENDED 31ST MARCH 2017**

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

To,  
The Members,  
**SHREE PRECOATED STEELS LIMITED**  
1, Ground Floor, Citi Mall, New Link Road,  
Andheri - (W), 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 31<sup>st</sup> March, 2017. Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on 31<sup>st</sup> March 2017, 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 and made available to me at its Registered office for the financial year ended on 31<sup>st</sup> March 2017, 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) 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; and
    - (c) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015
2. There were no actions/ events in pursuance of following Regulations of SEBI requiring compliance thereof by the Company during the period under review:
  - (i) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
  - (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, 1998;
  - (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 year under review.



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 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 Secretarial Standards with regard to Meetings of Board of Directors (SS-1) and General Meetings (SS-2) issued by The Institute of Company Secretaries of India under the provisions of Companies Act, 2013.

During the period under review 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 non-compliance in respect of:

Regulation 45 of The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015 read with the provisions as applicable to the change of Name prescribed under Companies Act, 2013 as the Name of the Company is not in line with the activities carried by the Company.

**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. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.
2. Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
3. As per the minutes of the meeting duly recorded and signed by the Chairman, the decisions of the Board were unanimous and no dissenting views have been recorded.

**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 report, following events/actions occurred which had a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. referred to above:

Sr. No.	Events
1	Winding up petition was filed against the Company was withdrawn and disposed off by the Hon'ble High Court, Mumbai.
2	Resignation of Mr. Sanjay C Ajmera from the post of Managing Director w.e.f. closure of business hours of 23 <sup>rd</sup> May, 2016.
3	Appointment of Mr. Harsh L. Mehta (DIN:01738989) as a Managing Director for the for a period of five years w.e.f. 24 <sup>th</sup> May, 2016.
4	Adoption of new set of Articles of Association of the Company primarily based on "Table F" as per Companies Act, 2013 and relevant rules thereunder w.e.f. 26 <sup>th</sup> August, 2016.
5	Shifting of registered office within the local limits of the city from B-716, 7 <sup>th</sup> Floor, Crystal Plaza New Link Road, Andheri - West Mumbai-400053 to 1, Ground Floor, Citi Mall, New Link Road, Andheri - West, Mumbai - 400053 w.e.f. 18 <sup>th</sup> November, 2016.

Place: Mumbai.  
Date: 10<sup>th</sup> July, 2017

**CS SHREYA SHAH**  
**Practising Company Secretary**  
ACS 39409/CoP No. 15859

Note: This report is to be read with our letter of even date which is annexed as **ANNEXURE-I** and forms an integral part of this report.



**ANNEXURE-I**

To,  
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 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.

Place: Mumbai.  
Date: 10<sup>th</sup> July, 2017

**CS SHREYA SHAH**  
**Practising Company Secretary**  
ACS 39409/CoP No. 15859



## CORPORATE GOVERNANCE REPORT

### INTRODUCTION:

Your company as complied in all material respect with the requirement of the Corporate Governance provision as specified in chapter IV of the SEBI (LODR) Regulation 2015.

The report on corporate governance report as prescribed by the SEBI (LODR) Regulation 2015 is given below:-

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

Your Company firmly believes that Corporate Governance is about upholding the highest standard of ethics, integrity, transparency and accountability in conducting affairs of the company, so as to disseminate transparent information to all stakeholders. We always seek to ensure that it attains performance goals with integrity. Corporate Governance has indeed been an integral part of the way . This emanates from our strong belief that strong governance is essential in creating value on a sustainable basis. Corporate Governance is a journey for constantly improving sustainable value creation and is an upward moving target.

This has enabled your Company to earn the trust and goodwill of its investors, business partners, employees and the communities in which it operates. Your Company has complied with the requirements of Corporate Governance as laid down by SEBI (Listing Obligation and Disclosure Requirement) Regulation, 2015.

#### 2. BOARD OF DIRECTORS:

##### 2.1 Composition and Categories of Directors:

The composition of the Board is in conformity with Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Section 149 of the Companies Act, 2013 and the rules made thereunder.

The Company's Board primarily takes care of the business needs and stakeholders' interest. The Independent Directors on the Board are experienced, competent and highly renowned persons from the fields of finance & taxation, economics, law, governance etc. They take active part at the Board and Committee Meetings by providing valuable guidance to the Management on various aspects of business, policy direction, governance, compliance etc. and play critical role on strategic issues, which enhances the transparency and add value in the decision making process of the Board of Directors.

The names & categories of the Director on the Board as on 31<sup>st</sup> March, 2017 are given below:-

Sr. No.	Name of the Director	DIN	Category & Designation
1	Mr. Sanjay C. Ajmera*	00012496	Executive, Managing Director
2	Mr. Dhaval R. Ajmera **	00012504	Executive, Director
3	Mr Harsh L Mehta ***	01738989	Executive, Managing Director
4	Mr. Ambalal C. Patel	00037870	Chairman & Independent Director
5	Mr. Jagdish J. Doshi	00065162	Independent Director
6	Ms. Aarti Ramani	06941013	Independent Women Director
7	Mr. Nilesh Sarvaiya	00799636	Non Executive Director

#### Notes:

- None of the Director is related to any other Director on the Board in terms of the definition of 'Relative' given under the Companies Act, 2013 read with the Rules made thereunder.
- \* Mr. Sanjay C. Ajmera resigned as Managing Director of the Company w.e.f. 23<sup>rd</sup> May, 2016.
- \*\* Mr. Dhaval R. Ajmera resigned as a Director of the Company w.e.f. 24<sup>th</sup> May, 2016.
- \*\*\*Mr. Harsh L. Mehta Appointed as Managing Director w.e.f. 24<sup>th</sup> May, 2016, duly approved by shareholder at their meeting held on 28<sup>th</sup> August, 2016.
- More than half of the Board comprise of the Independent Directors.



## 2.2 Meetings, Agenda and Proceedings of the Board Meeting :

The Board periodically reviews compliance reports of all laws applicable to the Company. The Board meets at least once a quarter to review the quarterly results and other items on the agenda and also on the occasion of the General Meeting of the shareholders. Additional meetings are held, whenever necessary.

During the Financial year ended on 31<sup>st</sup> March, 2017, 6 (SIX) Board Meetings were held on 19<sup>th</sup> May, 2016, 24<sup>th</sup> May, 2016, 30<sup>th</sup> June, 2016, 28<sup>th</sup> July, 2016, 24<sup>th</sup> October, 2016, and 3<sup>rd</sup> February, 2017. The gap between two Board meetings did not exceed one hundred and twenty days as prescribed under The Companies Act, 2013.

Attendance of each Director at the Board Meeting & the last Annual General Meeting held during the Financial Year ended 31<sup>st</sup> March, 2017 is given below:-

Sr. No.	Name of Directors	Category	No. Of Board Meeting Attended	Attended of Last AGM
1	Mr. Harsh L. Mehta*	Executive, Managing Director	5	Yes
2	Mr. Ambalal C. Patel	Chairman & Independent Director	6	Yes
3	Mr. Jagdish J. Doshi	Independent Director	6	Yes
4	Mr. Nilesh H. Sarvaiya	Non Executive Director	6	Yes
5	Mrs. Aarti M Ramani	Independent Women Director	6	Yes
6	Mr. Sanjay C. Ajmera**	Executive, Managing Director	NA	NA
7	Mr. Dhaval R. Ajmera***	Executive, Director	1	NA

\* Mr. Harsh L. Mehta appointed on the Board w.e.f. 24<sup>th</sup> May, 2016.

\*\* Mr. Sanjay C. Ajmera resigned w.e.f. 23<sup>rd</sup> May, 2016.

\*\*\* Mr. Dhaval R. Ajmera resigned w.e.f. 24<sup>th</sup> May, 2016.

### Agenda:

During the year under review, all the meetings were conducted as per the detailed agenda. An agenda lists the items of businesses to be taken up in the meeting, backed by the supporting information, documents and a draft resolution in order to enable the Board to take an informed decisions. Additional agenda items in the form of "Other Business" are included with the permission of the Chairman. Notice along with the detailed Agenda are generally circulated seven days prior to the Board Meeting as per the principles mentioned for convening and conducting the Board Meeting under Secretarial Standards on Meeting of the Board of Directors (SS-1) issued by ICSI .

### Circular Resolution :

During the financial year ended 31<sup>st</sup> March, 2017, the circular resolutions were passed by way of circulation to the Board of Directors of the Company regarding shifting of registered office of the Company were Passed on 17<sup>th</sup> November, 2016 by approving the resolutions by the majority of Board of directors of the Company as required under section 175 of the Companies Act, 2013 and rules framed thereunder.

## 2.3 Other Directorships:

The details of the Directorships, Chairmanships and the Committee memberships in other Companies (excluding Private Limited Companies, Foreign Companies and Section 8 Companies) held by the Directors in other Companies as on 31<sup>st</sup> March, 2017, are given below :

Sr. No.	Name of Directors	Director Identification Number (DIN)	Directorship in other Companies	Committee Positions in India	
				Chairman	Member
1	Mr. Sanjay C. Ajmera*	00012496	3	-	-
2	Mr. Dhaval R. Ajmera**	00012504	3	-	-
3	Mr. Ambalal C. Patel	00037870	7	3	7
4	Ms. Aarti Ramani	06941013	2	-	1
5	Mr. Jagdish Doshi	00065162	4	4	1
6	Mr. Nilesh Sarvaiya	00799636	3	-	1
7	Mr. Harsh L. Mehta***	01738989	2	-	1

**Notes:**

- \* Mr. Sanjay C. Ajmera has resigned from the board from 23<sup>rd</sup> May, 2016.
- \*\* Mr. Dhaval R. Ajmera has resigned from the board from 24<sup>th</sup> May, 2016.
- \*\*\* Mr. Harsh L. Mehta has appointed from 24<sup>th</sup> May, 2016.

1. None of the Director is a Director in more than 10 Public Limited Companies or acts as an Independent Director in more than 7 Listed Companies.
2. The limits of other directorship of Independent directors and Executive directors are within the permissible limits.
3. None of the Director is a member in more than 10 committees or chairman of more than 5 committees across all Public Limited Companies in which he is a Director.
4. Independent Directors means a Non-Executive Director, who fulfills the criteria as laid down in Regulation 16(1)(b) of the SEBI(Listing Obligations and Disclosure Requirements) Regulation, 2015 and Section 149(6) of the Companies Act, 2013.

**2.4 Selection of New Directors and Board Membership Criteria:**

As per the Nomination and Remuneration Policy of the Company, the Board has delegated responsibility for assessing and selecting the candidates for the role of Directors, Key Managerial Personnel and the Senior Management of the Company to the Nomination and Remuneration Committee which makes recommendations & nominations to the Board. The Board is ultimately responsible for the appointment of Directors and Key Managerial Personnel of the Company.

The Nomination and Remuneration Committee works to determine the appropriate characteristics, skills and experience for the Board as a whole and its individual members with the objective of having a Board with diverse backgrounds and experience in business. Characteristics expected of all Directors include independence, integrity, high personal and professional ethics, sound business judgment, ability to participate constructively in deliberations and willingness to exercise authority in a collective manner.

**2.5 Training/Familiarization of Board of Directors :**

Your Company follows a structured orientation and familiarization programme through various reports/codes/internal policies for all the Directors with a view to update them on the Company's policies and procedures on a regular basis. Periodic presentations are made at the Board Meetings on business and performance, long term strategy, initiatives and risks involved. The details of familiarization programme have been posted in the website of the Company under the web link [www.spsl.com](http://www.spsl.com).

**2.6 Separate Meeting of Independent Directors:**

As stipulated by the Code of Independent Directors under the Companies Act, 2013 and Regulation 25 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a separate meeting of the Independent Directors of the Company was held on 27.03.2017 to review the performance of Non-independent Directors and the Board as whole. The Independent Directors also reviewed the quality, content and timeliness of the flow of information between the Management and the Board and it's Committees which is necessary to effectively and reasonably perform and discharge their duties.

**Independent Directors Declaration:**

The Company has received the necessary declaration from each Independent Directors in accordance with Section 149(7) of the Companies Act, 2013, that he/she meets the criteria of independence as laid out in sub-section (6) of Section 149 of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

**3. COMMITTEE OF THE BOARD:**

The Committee of the board are constituted as per the Companies Act, 2013 and SEBI (LODR) Regulation 2015.

**3.1 AUDIT COMMITTEE:**

The Board has constituted a well-qualified Audit Committee. The Committee comprises of three directors out of which two third are Independent Directors of the Company and one Non-Executive Director. The Chairperson of the Committee, Mr. Jagdish J. Doshi, is an Independent Director. All the members of the Committee possess sound knowledge on accounts, audit, finance, taxation, internal controls etc.



### 3.1.1 Composition and Meetings:

During the financial year 2016-17, 4 (Four) Audit Committee Meetings were held on May 19, 2016, July 28, 2016, October 24, 2016, and February 3, 2017 and not more than one hundred and twenty days lapsed between two consecutive meetings of the Audit Committee.

The attendance of each committee members of Audit Committee were as under :

Sr. No	Name of Directors	Position held in the committee	No. of Board Meetings Attended
1	Mr. Jagdish Doshi	Chairman	04
2	Mr. Ambalal C.Patel	Member	04
3	Mr. Nilesh Sarvaiya	Member	04
4	Mr. Sanjay C. Ajmera*	Member	01

\* Mr. Sanjay C. Ajmera resigned as a member of the committee w.e.f. 23<sup>rd</sup> May, 2016.

### 3.1.2 Invitees/Participants:

1. The Chief Financial Officer, Assistant Company Secretary and Internal Auditor of the Company are the permanent invitees to all Audit Committee meetings to provide inputs on issues relating to internal audit findings, internal controls, accounts, taxation, risk management etc.
2. The representatives of the Statutory Auditors have attended all the Audit Committee meetings held during the year.

### 3.1.3 Terms of Reference:

The terms of reference of the Audit Committee are as per the guidelines set out in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with section 177 of the Companies Act, 2013. Terms of reference, inter alia, includes the following.

- (a) Develop an annual plan for Committee,
- (b) review of financial reporting processes,
- (c) review of risk management, internal control and governance processes,
- (d) discussions on quarterly, half yearly and annual financial statements,
- (e) interaction with statutory, internal and cost auditors,
- (f) recommendation for appointment, remuneration and terms of appointment of auditors and
- (g) risk management framework concerning the critical operations of the Company.

In addition to the above, the Audit Committee also reviews the following:-

1. Matters included in the Director's Responsibility Statement.
2. Changes, if any, in the accounting policies.
3. Major accounting estimates and significant adjustments in financial statement.
4. Compliance with listing and other legal requirements concerning financial statements.
5. Disclosures in financial statement including related party transactions, qualification in draft audit report.
6. Scrutiny of inter-corporate loans & investments.
7. Management's Discussions and Analysis of Company's operations.
8. Valuation of undertakings or assets of the Company, wherever it is necessary.
9. Findings of any special investigations carried out either by the Internal Auditors or by the external investigating agencies.
10. Letters of Statutory Auditors to management on internal control weakness, if any.





11. Major non routine transactions recorded in the financial statements involving exercise of judgment by the management.
12. Recommend to the Board the appointment, re-appointment and, if required the replacement or removal of the statutory auditors and cost auditors considering their independence and effectiveness, and recommend the audit fees.
13. Subject to review by the Board of Directors, review on quarterly basis, Related Party Transactions entered into by the Company pursuant to each omnibus approval given, if any.
14. Carrying out any other function as may be assigned to the committee by the board From time to time

### 3.2 NOMINATION AND REMUNERATION COMMITTEE

#### 3.2.1 Composition and Attendance at the Meeting:

The Nomination and Remuneration Committee consists of three members and all are non-executive directors

During the financial year 2016-17, 2 (Two) meeting of Nomination Remuneration Committee were held on 24<sup>th</sup> May, 2016 & 24<sup>th</sup> March, 2017.

Attendance of members were as follow:-

Sr. No.	Name of the Directors	Position held in the committee	No. of meetings attended
1	Mr.Jagdish J. Doshi	Chairman	2
2	Mr.Ambalal C.Patel	Member	2
3	Mr.Nilesh H. Sarvaiya	Member	2

#### 3.2.2 Details of remuneration paid to Directors during the F.Y. 2016-17

The details of remuneration paid to directors during the financial year ended 2016-17 are provided in Form MGT 9 extract of Annual Return, Annexure A of the Director's Report as required under Companies Act, 2013

The details of remuneration, sitting fees, performance bonus and commission paid to each of the Directors during the year ended on 31<sup>st</sup> March, 2017 are given below:-

Sr. No.	Name of the Directors	Remuneration (in Rs.)	Sitting Fees (in Rs.)	No. of shares held
1	Mr. Sanjay C. Ajmera*	Nil	NA	1686472
2	Mr. Dhaval R. Ajmera**	4,24,882	NA	1839910
3	Mr. Jagdish Doshi	NA	54,000	0
4	Mr. Ambalal C. Patel	NA	54,000	4
5	Ms. Aarti Ramani	NA	36,000	0
6	Mr. Nilesh Sarvaiya	NA	54,000	0
7	Mr. Harsh L. Mehta***	10,32,807	NA	0

\* Mr. Sanjay C. Ajmera resigned as Managing Director of the Company w.e.f. 23<sup>rd</sup> May, 2016.

\*\* Mr. Dhaval R. Ajmera resigned from as a Director of the Company w.e.f. 24<sup>th</sup> May, 2016.

\*\*\*Mr. Harsh L. Mehta Appointed as Managing Director of the company w.e.f. 24<sup>th</sup> May, 2016, duly approved by shareholder in there meeting held on 28<sup>th</sup> August, 2016.

#### 3.2.3 Policy for selection and appointment of Directors and their remuneration

The Nomination and Remuneration (N&R) Committee has adopted a Nomination and Remuneration Policy which, inter alia, deals with the manner of selection of Board of Directors and Managing Director and their remuneration.

##### Criteria of selection of Non Executive Directors

The Non Executive Directors shall be of high integrity with relevant expertise and experience so as to have a diverse Board with Directors having expertise in the fields of finance, taxation, law, governance and general management.



In case of appointment of Independent Directors, the N&R Committee shall satisfy itself with regard to the independent nature of the Directors vis-à-vis the Company so as to enable the Board to discharge its function and duties effectively.

The N&R Committee shall ensure that the candidate identified for appointment as a Director is not disqualified for appointment under Section 164 of the Companies Act, 2013.

The N&R Committee shall consider the following attributes / criteria, whilst recommending to the Board the candidature for appointment as Director.

- i. Qualification, expertise and experience of the Directors in their respective fields;
- ii. Personal, Professional or business standing;
- iii. Diversity of the Board.

In case of re-appointment of Non Executive Directors, the Board shall take into consideration the performance evaluation of the Director and his engagement level.

### 3.2.4. Terms of Reference:

The Committee is empowered to-

- (i) Formulate criteria for determining qualifications, positive attributes and independence of Directors and evaluating the performance of the Board of Directors.
- (ii) Identify and assess potential individuals with respect to their expertise, skills, attributes, personal and professional standing for appointment and re-appointment as Directors / Independent Directors on the Board and as Key Managerial Personnel.
- (iii) Support Board in evaluation of performance of all the Directors & in annual self-assessment of the Board's overall performance.
- (iv) Conduct Annual performance review of MD and CEO and Senior Management Employees;
- (v) Formulate a policy relating to remuneration for the Directors, Committee and also the Senior Management Employees.

### 3.2.5 Remuneration Policy:

The Company follows a policy on remuneration of Directors and Senior Management Employees and Remuneration of Non-Executive Directors. The Non-Executive Directors shall be entitled to receive remuneration by way of sitting fees, reimbursement of expenses for participation in the Meetings as detailed hereunder:

- i. A Non-Executive Director shall be entitled to receive sitting fees for meeting of the Board or Committee of the Board attended by him of such sum as may be approved by the Board of Directors within the overall limits prescribed under the Companies Act, 2013 and The Companies Managerial Remuneration Rule, 2014;
- ii. The Independent Directors of the Company shall not be entitled to participate in Stock Option Scheme of the Company, if any, introduced by the Company;

#### a. Remuneration of Managing Director & Executive Directors:

- i. At the time of appointment or re-appointment, Managing Director & Executive Directors shall be paid such remuneration as may be mutually agreed between the Company (which includes the Nomination & Remuneration Committee and the Board of Directors) and Managing Director as well as Executive Directors within the overall limits prescribed under the Companies Act.
- ii. The remuneration shall be subject to the approval of the Members of the Company in General Meeting.
- iii. The remuneration of the Managing Director & Executive Director are broadly divided into fixed & variable component.
- iv. In determining the remuneration (including the fixed increment and performance bonus) the Nomination & Remuneration Committee shall consider the following:
  - a. the relationship of remuneration and performance benchmarks is clear;
  - b. balance between fixed and incentive pay reflecting short and long - term performance objectives appropriate to the working of the company and its goals;
  - c. responsibility required to be shouldered by the Chairman, Managing Director, Executive Directors and the industry benchmarks/current trends;
- v. The Company's performance vis-à-vis the annual budget achievement and individual performance vis-à-vis the KRAs / KPIs.



**b. Remuneration of Senior Management Employees:**

The Managing Director and Executive Director will carry out the individual performance review based on the standard appraisal matrix and after taking into account the appraisal score card and other factors mentioned herein above, recommends the annual increment and performance incentive to the Nomination & Remuneration Committee for its review and approval.

**c. Remuneration to Non – Executive Directors**

The Non-Executive Directors are paid sitting fees of 5,000/- per meeting for attending the Board and Audit Committee meetings except Stakeholder Relationship Committee, for which no sitting fees is paid. The CSR Committee members at their first meeting had unanimously decided not to accept any sitting fees for the CSR Committee meeting to be attended by them. No commission is paid to them.

None of the Directors hold any convertible instruments.

**3.3. STAKEHOLDERS RELATIONSHIP COMMITTEE:**

**3.3.1 Composition and Attendance at the Meeting:**

As on March 31, 2017, the committee comprises of Mr. J.J. Doshi, Independent Director as a Chairman & Mr. Harsh L. Mehta, Executive Director as a Member.

The terms of reference of the committee are to look into the redressal of investors' complaints and recommends measures for overall improvement in the quality of investor services. The Committee also looks into allotment of shares kept in abeyance, allotment of shares on exercise of the stock options by the employees and allotment of privately placed preference shares, debentures and bonds, if any.

During the year end March 31<sup>st</sup>, 2017, 4 (Four) meeting of the committee were held on 6<sup>th</sup> April, 2016, 4<sup>th</sup> July, 2016, 6<sup>th</sup> October, 2016 & 6<sup>th</sup> January, 2017.

The details of the members & their attendance are as below:-

Sr. No	Name of Directors	Position held in the committee	No. of Meetings Attended
1	Mr. Jagdish J. Doshi	Chairman	4
2	Mr. Harsh L. Mehta*	Member	3
3	Mr. Dhaval R. Ajmera**	Member	1
4	Mr Sanjay C. Ajmera***	Member	1

\* Mr. Harsh L. Mehta appointed w.e.f. 24<sup>th</sup> May, 2016.

\*\* Mr. Dhaval R. Ajmera resigned w.e.f. 24<sup>th</sup> May, 2016.

\*\*\* Mr. Sanjay C. Ajmera resigned w.e.f. 23<sup>rd</sup> May, 2016.

**Compliance Officer:**

Mr. Akshay R. Sharma, Asst. Company Secretary & Compliance Officer, can be contacted at:-

Shree Precoated Steels Limited  
1, Ground Floor, Citi Mall, New Link Road  
Andheri (W) Mumbai: 401105  
Tel: +91 22 6552 6677  
Email: spsl.investors@gmail.com

The detailed particulars of investors' complaints handled by the Company and its Registrar & Share Transfer Agent during the year are as under:

Nature of Complaint	Opening	Received during the year	Resolved	Outstanding as on 31 <sup>st</sup> March, 2017
Non- Receipt of Annual Report	-	-	-	-
Non-Receipt of Dividend	-	-	-	-
Non-Receipt of shares (De-merger)	-	4	4	-
Non-Receipt of shares (Split)	-	-	-	-
Non-Receipt of shares (Transmission)	-	-	-	-
<b>TOTAL</b>		<b>4</b>	<b>4</b>	<b>-</b>



Complaints or queries relating to the shares can be forwarded to the company's Registrar and Share Transfer Agent 'M/s Sharex Dynamic (India) Pvt. Ltd' at sharexindia@vsnl.com. The Compliance officer has been regularly interacting with the share transfer agents to ensure that shares related complaints of the investors are attended to without undue delay and where deemed expedient the complaints are referred to the committee or discussed in the meetings.

### 3.4 CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE:

#### 3.4.1 Composition:

As on March, 31 2017, the committee comprise of Mr. Harsh L. Mehta, Executive Director as a Chairman, Mr. Jagdish J. Doshi, Independent Director & Mr. Nilesh H. Sarvaiya, Non-Executive Director as a Members.

The Terms of Reference of the Committee are as follows:-

- To frame the CSR Policy and its review from time-to-time.
- To ensure effective implementation and monitoring of the CSR activities as per the approved policy, plans and budget.
- To ensure compliance with the laws, rules & regulations governing the CSR and to periodically report to the Board of Directors.

### 4. GENERAL BODY MEETINGS :

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

Details of Annual General Meeting (AGM) are as under:

Financial Year	Details of day, date, time and venue	Summary of Special Resolutions passed
2015-16	8 <sup>th</sup> AGM was conducted on Friday, 26 <sup>th</sup> August, 2016 at 12.30 p.m. at Activity Hall, Gr. Floor, Juhu Vile Parle Gymkhana Club, JVPD Scheme, Vile Parle (W), Mumbai - 400 049	<ol style="list-style-type: none"> <li>To Appoint Mr. Harsh L. Mehta as a Managing Director.</li> <li>Revision in terms of remuneration of Mr. Dhaval R. Ajmera</li> <li>To Adopt new set of Articles of Association.</li> </ol>
2014-2015	7 <sup>th</sup> AGM was conducted on Friday, 25 <sup>th</sup> September, 2015 at 1.00 p.m. at Activity Hall, Gr. Floor, Juhu Vile Parle Gymkhana Club, JVPD Scheme, Vile Parle (W), Mumbai - 400 049	No special resolutions passed by the Company's Shareholders in Annual General Meeting.
2013-14	6 <sup>th</sup> AGM was conducted on Saturday, 27 <sup>th</sup> September, 2014 at 1.00 p.m. at Activity Hall, Gr. Floor, Juhu Vile Parle Gymkhana Club, JVPD Scheme, Vile Parle (W), Mumbai - 400 049	<ol style="list-style-type: none"> <li>To approve payment of remuneration to Chairman &amp; Managing Director</li> <li>To approve payment of remuneration to Director-Operations &amp; Marketing</li> <li>To give authority to the board of directors to borrow money from Banks / Financial Institutions and others, the aggregate outstanding of which should not exceed, at any given time, Rs. 2000 crores as per section 180 (1) (c) of the Companies Act, 2013</li> <li>To give authority to the Board of Directors to create charge / Hypothecation / security of its Assets against the borrowings taken by the Company as per section 180(1)(a) of the Companies Act, 2013</li> </ol>



### Postal Ballot:-

For the year ended March 31, 2017 there have been no ordinary or special resolutions passed by the Company's Shareholders through postal ballot.

## 5. MEANS OF COMMUNICATION :

### i. Financial results:

The Company has regularly furnished quarterly, half-yearly and yearly financial results of the Company, through electronic filing systems to the stock exchange where the shares of the Company are listed within 30 (Thirty) minutes (as applicable under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015), from conclusion of the Board meeting.

Quarterly and Annual financial results are also published in English, in 'Financial Express' and other regional (Marathi) newspaper, in 'Mumbai Lakshadeep'.

### ii. Website:

General Information on the company, official news releases and presentations to analysts & institutional investors are also posted on the company's website.

The Company's website [www.spsl.com](http://www.spsl.com) contains a separate dedicated section 'Investor Relations' where shareholders information is available. The Annual Report of the Company is also available on the website in a user friendly and downloadable form.

### iii. SEBI Complaints Redress System (SCORES):

The investor complaints are processed in a centralized web based complaints redressal system. The salient features of this system are centralized database of all complaints, online upload of Action Taken Reports (ATRs) by the concerned companies and online viewing by investors of actions taken on the complaint and its current status.

## 6. GENERAL SHAREHOLDER'S INFORMATION:

### 6.1 Annual General Meeting:

Day & Date	Friday, 29 <sup>th</sup> September, 2017
Time	11:00 a.m
Venue	"Activity Hall", Ground Floor, Juhu Vile Parle Gymkhana Club, N.S. Road, JVPD Scheme, Vile Parle (West), Mumbai - 400 049.

### 6.2 Financial Calendar:

For the Financial Year 2017-18	Tentative date of announcement of Financial Results
First Quarter ended as on June 30, 2017	July/August, 2017
Second Quarter ended as on September 30, 2017	October/November, 2017
Third Quarter ended as on December 31, 2017	January/February, 2018
Fourth Quarter and Financial Year ended as on March 31, 2017	April/May, 2018
Tenth Annual General Meeting	August/September, 2018

### 6.3 Book Closure:

The Register of Members and the Share Transfer Books of the Company shall remain closed from Saturday, 23<sup>rd</sup> September, 2017 to Friday, 29<sup>th</sup> September, 2017 (both days inclusive) as required under the Companies Act 2013.

### 6.4 Listing of Shares:

A	Equity Shares Listed on	Bombay Stock Exchange Ltd.
B	Stock Code	533110
C	ISIN Code	INE318K01017
D	Corporate Identity Number (CIN)	L70109MH2007PLC174206



## SHREE PRECOATED STEELS LIMITED

### 6.5 Listing Fees:

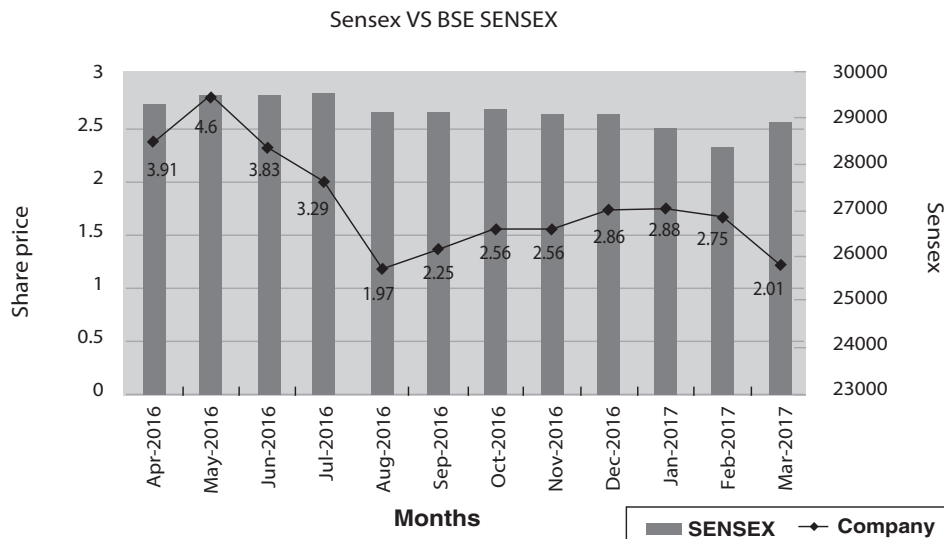
The Company affirms that the annual listing fees for the year 2017-18 has been paid to Bombay Stock Exchange (BSE) Limited in full.

### 6.6 Market Price Data:

The high / low market price of the shares for each month during the Financial Year 2016 - 17 on the Bombay Stock Exchange Limited are as mentioned below:

Month	Bombay Stock Exchange			S & P BSE SENSEX
	High	Low	Close	(Closing)
Apr -16	2.47	2.02	2.11	25606.62
May-16	3.02	1.94	2.52	26667.96
Jun -16	3.78	2.28	2.82	26999.72
Jul -16	3.25	2.4	2.56	28051.86
Aug-16	3.05	2.21	2.55	28452.17
Sep -16	2.74	1.73	1.90	27865.96
Oct -16	2.84	1.88	2.46	27930.21
Nov-16	3.00	1.83	2.10	26652.81
Dec-16	2.36	1.75	1.86	26626.46
Jan -17	2.27	1.70	1.83	27655.96
Feb -17	2.08	1.57	1.65	28743.32
Mar -17	1.75	1.30	1.41	29620.5

### 6.7 Share Price Movement compared to BSE Sensex



### 6.8 Share Transfer Agents:

All work related to Shares both in physical form and electronic form, is handled by the Company's Registrar and Share Transfer Agent, M/s. Sharex Dynamics (India) Pvt. Ltd. The contact details are given hereunder:

#### Sharex Dynamics (India) Pvt. Limited

Unit - 1, Luthra Industrial Premises,  
Safed Pool, Andheri Kurla Road,  
Andheri (E), Mumbai - 400 072

**Email:** sharexindia@vsnl.com **Website:** www.sharexindia.com

**Tel:** + 91 22 2851 5606/ + 91 22 2851 5644

**Fax:** + 91 22 2851 2885



### 6.9 Share Transfer System:

Shares sent for transfer in physical form are registered and returned by our Registrars and Share Transfer Agents in 15 days of receipt of the documents, provided the documents are found to be in order. Shares under objection are returned within two weeks. The Share Transfer Agents considers the transfer proposals generally on a fortnight basis.

### 6.10 Distribution of Shareholding as on 31<sup>st</sup> March, 2017:

#### a. Distribution of shareholding by size:

No. of Equity shares	Shareholders		Shares held in each class	
	Number	%	Number	%
Up to 100	33080	78.82	628041	0.76
101 to 200	2317	5.52	355744	0.43
201 to 500	2719	6.48	985838	1.19
501 to 1,000	1622	3.86	1338418	1.62
1,001 to 5,000	1631	3.89	3753784	4.53
5,001 to 10,000	287	0.68	2125818	2.57
10,001 to 1,00,000	243	0.58	6110147	7.38
1,00,001 & above	68	0.16	67500252	81.52
<b>Total</b>	<b>41967</b>	<b>100.00</b>	<b>82798042</b>	<b>100.00</b>

#### b. Distribution of Shareholding by Category :

Sr. No.	Category	No. of shares	Percentage of Shareholding
1	Promoter	52074782	62.89
2	Residential Individual	28089943	33.92
3	Private Corporate Bodies	1042352	1.26
4	Financial Institutions/ Banks and Mutual Funds	3365	0.01
5	NRI's and OCB	1104254	1.33
6	Clearing Member	483346	0.58
	<b>TOTAL</b>	<b>82798042</b>	<b>100.00</b>

### 6.11 Dematerialisation of Shares:

About 99.68 % (82532064 shares) of the total equity share capital are held in dematerialized form with NSDL and CDSL as on 31<sup>st</sup> March, 2017.

The Details are given below:-

Particulars of Shares	Equity Shares of ₹ 10/- each	
	Number	% of total Issued Capital
Dematerialized Form		
NSDL	20923443	25.27
CDSL	61608621	74.41
Sub - Total	82532064	99.68
Physical Form	265978	0.32
<b>TOTAL</b>	<b>82798042</b>	<b>100.00</b>

### 6.12 Address for Correspondence:

- (a) The Compliance Officer,  
1, Ground Floor, Citi Mall,  
New Link Road, Andheri (West),  
Mumbai - 400 053.  
Tel. No.: +91 22-65526677  
Email id: investors.sppl@gmail.com

### 6.13 Registered Office:

1, Ground Floor, Citi Mall, New Link Road, Andheri (West), Mumbai - 400 053. Tel.: +91 22-65526677



### 7. DISCLOSURES:

1. The Company has formulated a policy on materiality of related party transactions and also on dealing with related party transactions. This policy is available on the Company's website i.e. [www.spsl.com](http://www.spsl.com).
2. Transactions with related parties, as per requirements of Accounting Standard 18, are disclosed in notes to accounts annexed to the financial statements.
3. During the year 2016-17, no materially significant transactions were entered into by the Company with the Promoters, Directors or the Management, or their relatives, that may have potential conflict with the Company's interest. Suitable disclosure as required by the Accounting Standard (AS 18) has been made in the Annual Report.
4. There are no pecuniary relationships or transactions of Non-Executive Directors vis-à-vis the Company which has potential conflict with the interests of the Company at large.
5. No penalties or strictures have been imposed on the Company by Stock Exchange or SEBI or any statutory authority on any matter related to capital markets during the last three years.
6. The Company has adopted a Whistle Blower Policy and has established the necessary mechanism in line with the requirements under the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015. The policy is posted on the website of the Company: [www.spsl.com](http://www.spsl.com).
7. During the year ended 31<sup>st</sup> March, 2017, the Company does not have any material listed/unlisted subsidiary companies as defined in SEBI(Listing Obligations and Disclosure Requirements) Regulations 2015. The Company has a policy for determining "material subsidiary" in line and the same is disclosed on the Company's website i.e [www.spsl.com](http://www.spsl.com).
8. The Independent Directors have confirmed that they meet the criteria of Independence' as stipulated under SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015.

### 8. CODE OF CONDUCT:

The Company has adopted the Code of Conduct for all employees of the Company, including the Managing Director. The Board has also approved a Code of Conduct for the Non-Executive Directors of the Company, which incorporates the duties of Independent Directors as laid down in the Companies Act, 2013. The Codes are posted on the Company's website.

All Board members and senior management personnel (as per SEBI Listing Regulations, 2015) have affirmed compliance with the applicable Code of Conduct. A declaration to this effect, signed by the Managing Director forms part of this Report.

Apart from receiving sitting fees that they are entitled to under the Companies Act, 2013 as Non-Executive Directors and reimbursement of expenses incurred in the discharge of their duties, none of the Non-Executive Directors has any other material pecuniary relationship or transactions with the Company, its promoters, its Directors, its senior management or its subsidiaries and associates. None of the Directors are inter-se related to each other.

The Directors and senior management of the Company have made disclosures to the Board confirming that there are no material financial and/ or commercial transactions between them and the Company that could have potential conflict of interest with the Company at large.

### 9. DECLARATION BY MANAGING DIRECTOR:

I hereby confirm that :

The Company has obtained from all the members of the Board and senior Management, affirmation that they have complied with the Code of Conduct and ethics for the Director and Senior Management in respect of the Financial Year 2016-17.

Date: 22<sup>nd</sup> May, 2017

Place: Mumbai

**Harsh L. Mehta**  
Managing Director





## MD & CFO CERTIFICATION

We hereby certify that:

- a. We have reviewed the financial statements and the cash flow statement for the financial year 2016-17 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 2016-17 which are fraudulent, illegal or violative of the company's 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 2016-17.
  - Significant changes in accounting policies during the year 2016-17 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.

**Harsh L. Mehta**  
**Managing Director**  
 Place: Mumbai  
 Date : 22<sup>nd</sup> May, 2017

**Harish Taparia**  
**Chief Financial Officer**

## AUDITOR'S CERTIFICATE ON CORPORATE GOVERNANCE

The Members,  
**SHREE PRECOATED STEELS LIMITED**  
 MUMBAI,

We have examined the compliance of conditions of Corporate Governance by **SHREE PRECOATED STEELS LIMITED** ("the Company"), for the year ended on 31 March 2017, as per regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and paragraphs C, D and E of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the Listing Regulations).

The compliance of conditions of Corporate Governance is the responsibility of the Management. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure the compliance with the conditions of the Corporate Governance stipulated in Listing Regulations.

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.

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.

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.

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.

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 March 31, 2017.

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 and on behalf of  
**V. PAREKH & ASSOCIATES**  
**CHARTERED ACCOUNTANTS**

Place: Mumbai  
 Dated: 18<sup>th</sup> August, 2017

**RASESH V. PAREKH - PARTNER**  
 Membership No. 38615



## INDEPENDENT AUDITOR'S REPORT

The Members,  
**SHREE PRECOATED STEELS LIMITED**  
MUMBAI,

### Report on the Financial Statements

We have audited the accompanying standalone financial statements of **Shree precoated steels limited** ("the company"), which comprise the Balance Sheet as at 31<sup>st</sup> March, 2017, the Statement of Profit and Loss, and the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

### Management's Responsibility for the Financial Statements

The Company's 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 standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

This responsibility also includes 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 controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

### Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder

We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the standalone financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the standalone financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error.

In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the standalone financial statements that give true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by Company's Directors, as well as evaluating the overall presentation of the standalone financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

### Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31<sup>st</sup> March, 2017 and its loss and its cash flows for the year ended on that date.

### Report on Other Legal and Regulatory Requirements

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

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

- a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- b) in our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.
- c) the Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- d) in our opinion, the aforesaid standalone financial statements comply with the 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, 2017, taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March, 2017, 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, and
- g) 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 does not have any pending litigations which would impact its financial position.
  - ii. the Company does not have any long-term
- contracts including derivatives contracts for which there were any material foreseeable losses.
- iii. there has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
  - iv. the Company has provided requisite disclosures in its standalone financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8 November, 2016 to 30 December, 2016 and these are in accordance with the books of accounts maintained by the Company. Refer Note 36 to the standalone financial statements.

**FOR AND ON BEHALF OF  
V. PAREKH & ASSOCIATES  
CHARTERED ACCOUNTANTS  
FIRM REGN NO. 107488W**

**RASESH V. PAREKH**

**PARTNER**

Place: Mumbai,  
Dated : 22<sup>nd</sup> May, 2017

Membership No. 38615

## ANNEXURE-A TO THE AUDITOR'S REPORT

**The Annexure referred to in Independent Auditor's Report to the members of the Company on the standalone financial statements for the year ended 31<sup>st</sup> March, 2017, we report that:**

- (i) (a) The company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) These fixed assets have been physically verified by the management at reasonable intervals. Discrepancies noticed 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, the Company does not have any immovable property except Land shown in Fixed Assets which is in dispute and not registered in the name of the company.
- (ii) (a) Physical verification of inventory has been conducted at reasonable intervals by the management.
- (b) In our opinion and according to the explanations given to us, the procedures for physical verification of inventories followed by the Management are reasonable and adequate in relation to the size of the Company and nature of its business.
- (c) In our opinion and according to the explanations given to us, the Company has maintained proper records of its inventories and no material discrepancies were observed during the course of physical verification.
- (iii) The company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013.
- (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 deposits from the public.
- (vi) In our opinion and according to information and explanation given to us, the requirement of maintaining the Cost Records under Section 148 of the Act is not applicable to the Company.
- (vii) a. The Company is generally regular in depositing with appropriate authorities, undisputed statutory dues including income tax, sales



tax, service tax and other statutory dues to the extent applicable to it. There is no outstanding statutory dues as at the last day of the financial year concerned for a period of more than six months from the date they became payable.

- b. According to the information and explanations given to us, there are no dues of Income Tax or

Sales Tax or Wealth Tax or Service Tax duty of customs or cess which have not been deposited with the appropriate authorities on account of any dispute. However, according to information and explanations given to us, the following dues of service tax have not been deposited by the Company on account of disputes:

Name of the statute	Nature of dues	Amount (₹ in Lakhs)	Period to which the amount relates	Forum where dispute is pending
Service Tax	GTA of Service	22.85	2005-2006	Custom Excise & Service Tax Appellate Tribunal
Service Tax	Cenvat Credit on Service Tax	95.84	2006-07 & 2007-2008	Custom Excise & Service Tax Appellate Tribunal

- (viii) 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.
- (ix) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) , term loans during the year.
- (x) According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
- (xi) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- (xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions

have been disclosed in the standalone financial statements as required by the applicable accounting standards.

- (xiv) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- (xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
- (xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

**FOR AND ON BEHALF OF  
V. PAREKH & ASSOCIATES  
CHARTERED ACCOUNTANTS  
FIRM REGN NO. 107488W**

**RASESH V. PAREKH  
PARTNER**

Place : Mumbai,  
Dated : 22<sup>nd</sup> May, 2017

Membership No. 38615



## 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, 2017 in conjunction with our audit of the standalone 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 standalone financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the 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 standalone financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the standalone financial statements.

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

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

#### Opinion

In our opinion, 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, 2017, 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 AND ON BEHALF OF  
V. PAREKH & ASSOCIATES  
CHARTERED ACCOUNTANTS  
FIRM REGN NO. 107488W**

**RASESH V. PAREKH  
PARTNER**

Place : Mumbai,  
Dated : 22<sup>nd</sup> May, 2017

Membership No. 38615

**SHREE PRECOATED STEELS LIMITED****BALANCE SHEET AS AT 31ST MARCH, 2017**

Particulars	Notes	As on 31 <sup>st</sup> March, 2017 (₹ In lakhs)	As on 31 <sup>st</sup> March, 2016 (₹ In lakhs)
<b>I. EQUITY AND LIABILITIES</b>			
<b>(1) Shareholder's Funds</b>			
(a) Share Capital	3	<b>8279.80</b>	8279.80
(b) Reserves and Surplus	4	<b>(8209.95)</b>	(7633.19)
<b>(2) Non-Current Liabilities</b>			
(a) Long-term borrowings	5	-	11.30
(b) Other Long term liabilities	6	<b>6.14</b>	5.51
(c) Long term provisions	7	<b>195.01</b>	201.57
<b>(3) Current Liabilities</b>			
(a) Trade payables	8	<b>374.46</b>	302.15
(b) Other current liabilities	9	<b>26.74</b>	38.22
<b>Total</b>		<b>672.20</b>	<b>1205.36</b>
<b>II. ASSETS</b>			
<b>(1) Non-current assets</b>			
(a) Fixed assets			
(i) Tangible assets	10	<b>3.45</b>	31.64
(b) Long term loans and advances	11	<b>0.61</b>	1.36
<b>(2) Current assets</b>			
(a) Inventories	12	-	160.18
(b) Trade receivables	13	<b>130.27</b>	133.24
(c) Cash and cash equivalents	14	<b>43.96</b>	34.84
(d) Short-term loans and advances	15	<b>89.30</b>	312.83
(e) Other current assets	16	<b>404.61</b>	531.27
<b>Total</b>		<b>672.20</b>	<b>1205.36</b>
Significant Accounting policies and notes to the Financial Statements	2		

As per our report of even date

For and on behalf of

**V. PAREKH & ASSOCIATES**  
CHARTERED ACCOUNTANTS  
Firm Reg. No. 107488W

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

**RASESH V. PAREKH**  
PARTNER  
Membership No. 38615

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

**NILESH SARVAIYA**  
NON EXECUTIVE DIRECTOR  
DIN: 00799636

**HARISH G. TAPARIA**  
CHIEF FINANCIAL OFFICER

**AKSHAY R. SHARMA**  
ASST. COMPANY SECRETARY

**Place:** Mumbai  
**Dated:** 22<sup>nd</sup> May, 2017

**Place:** Mumbai  
**Dated:** 22<sup>nd</sup> May, 2017



## STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2017

Particulars	Notes	Year ended 31 <sup>st</sup> March, 2017 (₹ In lakhs)	Year ended 31 <sup>st</sup> March, 2016 (₹ In lakhs)
<b>I. Revenue from operations</b>	17	<b>290.05</b>	1,284.98
<b>II. Other Income</b>	18	-	-
<b>III. Total Revenue (I + II)</b>		<b>290.05</b>	1,284.98
<b>IV. Expenses:</b>			
Purchase of Stock in Trade		-	-
Construction & Other expenses	19	-	1,226.51
Changes in inventories of finished goods, work in progress and Stock-in-trade	20	<b>160.18</b>	162.91
Employee benefit expenses	21	<b>46.74</b>	94.60
Financial costs	22	<b>2.04</b>	3.99
Depreciation and amortization expenses	10	<b>0.93</b>	3.24
Other expenses	23	<b>195.88</b>	387.47
<b>Total Expenses (IV)</b>		<b>405.77</b>	1,878.72
<b>V. Profit/(Loss) before exceptional and extraordinary items and tax</b>	(III - IV)	<b>(115.72)</b>	(593.74)
<b>VI. Exceptional Items</b>		<b>(461.04)</b>	-
<b>VII. Profit/(Loss) before extraordinary items and tax (V + VI)</b>		<b>(576.76)</b>	(593.74)
<b>VIII. Profit/(Loss) before tax</b>		<b>(576.76)</b>	(593.74)
<b>IX. Tax expense:</b>			
(1) Adjustment During the year		-	-
(2) Deferred tax		-	-
<b>X. Profit/(Loss) for the year from continuing operations</b>		<b>(576.76)</b>	(593.74)
<b>XI. Extraordinary Items</b>		-	-
<b>XII. Surplus/(Deficit) for the year</b>		<b>(576.76)</b>	(593.74)
<b>XIII. Earning per equity share before exceptional/ extraordinary items and after Tax:</b>			
(1) Basic	24	<b>(0.14)</b>	(0.72)
(2) Diluted	24	<b>(0.14)</b>	(0.72)
Significant Accounting policies and notes to the Financial Statements	2		

As per our report of even date

For and on behalf of

**V. PAREKH & ASSOCIATES**  
CHARTERED ACCOUNTANTS  
Firm Reg. No. 107488W

**RASESH V. PAREKH**  
PARTNER  
Membership No. 38615

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

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

**NILESH SARVAIYA**  
NON EXECUTIVE DIRECTOR  
DIN: 00799636

**HARISH G. TAPARIA**  
CHIEF FINANCIAL OFFICER

**AKSHAY R. SHARMA**  
ASST. COMPANY SECRETARY

**Place:** Mumbai  
**Dated:** 22<sup>nd</sup> May, 2017

**Place:** Mumbai  
**Dated:** 22<sup>nd</sup> May, 2017



## CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2017

Particulars	Year ended 31 <sup>st</sup> March, 2017 (₹ In lakhs)	Year ended 31 <sup>st</sup> March, 2016 (₹ In lakhs)
<b>Cash Flow From Operating Activities:</b>		
<b>Profit before tax</b>	(115.72)	(593.74)
<b>Non-cash adjustment to reconcile profit before tax to net cash flows</b>		
Depreciation/amortisation	0.93	3.24
Interest Expense	2.04	3.99
Exceptional/Extra Ordinary Items	(461.04)	
<b>Operating Profit before working capital changes</b>	(573.79)	(586.51)
<b>Movements in working capital:</b>		
Increase/(decrease) in trade payables	72.31	(148.80)
Increase/(decrease) in long term provision	(6.56)	185.18
Increase/(decrease) in Other Long term Liabilities	0.63	(579.80)
Increase/(decrease) in Other Current Liabilities	(11.47)	12.68
Decrease/(increase) in trade receivables	2.97	76.38
Decrease/(increase) in inventories	160.17	957.11
Decrease/(increase) in long term loans and advances	0.75	(1.00)
Decrease/(increase) in short term loans and advances	223.53	1102.15
Decrease/(increase) in other Non current assets	-	-
Decrease/(increase) in other current assets	126.66	483.77
Cash generated from/(used in) operating activities	(4.80)	1501.17
Direct taxes paid	-	-
<b>Net cash flow from/(used in) operating activities (A)</b>	<b>(4.80)</b>	<b>1501.17</b>
<b>Cash flow from investing activities:</b>		
Purchase of fixed assets including intangible assets, CWIP	27.26	50.98
Proceeds from sale of assets	-	-
<b>Net cash flow from/(used in) investing activities (B)</b>	<b>27.26</b>	<b>50.98</b>
<b>Cash flow from financing activities:</b>		
Proceed/(Repayment) of long term borrowings	(11.30)	(1526.94)
Interest paid	(2.04)	(3.99)
<b>Net cash flow from/(used in) financing activities (C)</b>	<b>(13.34)</b>	<b>(1530.93)</b>
<b>Net increase/(decrease) in cash and cash equivalents (A)+(B)+ (C)</b>	<b>9.12</b>	<b>21.22</b>
Cash and cash equivalents at the beginning of the year	34.84	13.62
<b>Cash and cash equivalents at the end of the year</b>	<b>43.96</b>	<b>34.84</b>
Significant Accounting policies and notes to the Financial Statements	2	-

As per our report of even date

For and on behalf of

**V. PAREKH & ASSOCIATES**

CHARTERED ACCOUNTANTS

Firm Reg. No. 107488W

**RASESH V. PAREKH**

PARTNER

Membership No. 38615

For &amp; on behalf of Board Of Directors of

**SHREE PRECOATED STEELS LIMITED****HARSH L MEHTA**

MANAGING DIRECTOR

DIN: 01738989

**NILESH SARVAIYA**

NON EXECUTIVE DIRECTOR

DIN: 00799636

**HARISH G. TAPARIA**

CHIEF FINANCIAL OFFICER

**AKSHAY R. SHARMA**

ASST. COMPANY SECRETARY

Place: Mumbai

Dated: 22<sup>nd</sup> May, 2017

Place: Mumbai

Dated: 22<sup>nd</sup> May, 2017





## Notes to Financial Statements for the Year ended 31<sup>st</sup> March, 2017

### 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 POLICIES:

##### a Basis of Preparation

The financial statements of the company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP). The company has prepared these financial statements to comply in all material respects with the accounting standards as prescribed under Section 133 of The Companies Act, 2013 read with rule 7 of Companies (Accounts) Rule 2014 and relevant provisions of the Companies Act 2013 ("the Act"), as applicable and guidelines issued by the Securities and Exchange Board of India (SEBI), as applicable. These financial statements have been prepared on an accrual basis and under the historical cost convention.

##### b. Use of Estimates

The preparation of financial statements in conformity with Indian GAAP requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these adjustments are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

##### c. Current and Non Current Classification

An asset 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

##### d Tangible Fixed Assets:

Fixed assets, are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. The cost comprises purchase price, borrowing costs 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 expenditure related to an item of fixed is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance. All other expenses on existing fixed assets, including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the statement of profit and loss for the period during which such expenses are incurred. Gains or losses arising from de recognition of fixed assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

##### e. Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated impairment losses, if any. Internally generated intangible assets, excluding capitalized development costs, are not capitalized and expenditure is reflected in the statement of profit and loss in the year in which the expenditure is incurred. Cost comprises the purchase price and any attributable cost of bringing the assets to its working condition for its intended use. Gains or losses arising from de recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

##### f. Depreciation and Amortization

Depreciation on tangible assets is provided on the Straight Line Method over the useful life of assets prescribed under Schedule-II of the Companies Act, 2013. Depreciation for assets purchased / sold during a period is proportionately charged.

**Notes to Financial Statements for the Year ended 31<sup>st</sup> March, 2017**

Intangible assets are amortized over their respective individual estimated useful life on straight line basis, commencing from the date the asset is available to the company for its use.

**g. Impairment of Tangible and Intangible Assets**

The company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generated units (CGU) net selling price and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other asset or groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessment of the time value of money and the risks specific to the asset. In determining net selling price, recent market transaction is taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used.

**h. Revenue Recognition**

Revenue is recognized to the extent that is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. The following specific recognition criteria must be met before revenue is recognized.

**Sale of Goods:**

Revenue from sale of goods is recognized when all the risks and rewards of ownership of the goods have been passed to the buyer, usually on delivery of the goods. If the company collects sales taxes and value added taxes (VAT) on behalf of the government and, therefore, these are not economic benefits flowing to the company. Hence they are excluded from revenue. Excise duty deducted from revenue (gross) is the amount that is included in the revenue (gross) and not the entire amount of liability arising during the year.

**Income from Services:**

Revenues from maintenance contracts are recognized pro-rata over the period of the contract as and when the services are rendered.

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.

**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.

**i. Foreign currency transactions**

Foreign currency transaction are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

**Conversion**

Foreign currency monetary items are retranslated using the exchange rate prevailing at the reporting date. Non-monetary items, which are measured in terms of historical cost denominated in a foreign currency, are reported using the exchange rate at the date of the transaction. Non-monetary items, which are measured at fair value or other similar valuation denominated in a foreign currency, are translated using the exchange rate at the date when such value was determined.



## Notes to Financial Statements for the Year ended 31<sup>st</sup> March, 2017

### Exchange differences

- i. Exchange difference arising on a monetary item that, in substance forms part of the company's net investment in a non-integral foreign operation is accumulated in the foreign currency translation reserve until the disposal of the net investment. On the disposal of such net investment, the cumulative amount of the exchange differences which have been deferred and which relates to that investment is recognized as income or as expenses in the same period in which the gain or loss on disposal is recognized.
- ii. Exchange difference arising on long-term foreign currency monetary items related to acquisition of a fixed asset are capitalized and depreciated over the remaining useful life of the asset. For this purpose, the company treats a foreign monetary item as "long-term foreign currency monetary items", if it has a term of 12 months or more at the date of its origination.
- iii. Exchange differences arising on other long-term foreign currency monetary items are accumulated in the "Foreign Currency Monetary Translation Difference Account" and amortized over the remaining life of the concerned monetary item.
- iv. All other exchange differences are recognized as income or as expenses in the period in which they arise.

### j. Retirement and other employee benefits

Retirement benefit in the form of provident fund is a defined contribution scheme. The contribution to the provident fund is charged to the statement of profit and loss for the year when the contributions are due. The company has no obligation, other than the contribution payable to the provident fund.

The company operates two defined benefit plans for its employee, viz., gratuity and post employment medical benefit liability. The costs of providing benefits under these plans are determined on the basis actuarial valuation at each year-end. Separate actuarial valuation is carried out for each plan using the projected unit credit method. Actuarial gains and losses for both defined plans are recognized in full in the period in which they occur in the statement of profit and loss.

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.

The company treats accumulated leave excepted to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year-end. Actuarial gains/losses are immediately taken to the statement of profit and loss and are not deferred. The company presents the entire leave as a current liability in the balance sheet, since it does not have an unconditional right to defer its settlement for 12 months after the reporting date.

### k. Income Taxes

Tax expenses comprise current and deferred tax. Current income-tax is measured at the amount expected to be paid to the tax authorities in accordance with the income-tax Act, 1961 enacted in India and tax laws prevailing in the respective tax jurisdiction where the company operates. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date. Current income tax relating to items recognized directly in equity is recognized in equity and not in the statement of profit and loss.

Deferred income taxes reflect the impact of timing differences between taxable income and accounting income originating during the current year and reversal of timing differences for the earlier years. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted by the reporting date. Deferred income tax relating to items recognized in equity and not in the statement of profit and loss.

Deferred tax liabilities are recognized for all taxable timing differences. Deferred tax assets are recognized for deductible timing differences only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. In situation where the company has unabsorbed or carry forward tax losses, all deferred tax assets are recognized only if there is virtual certainty supported by convincing evidence that they can be realized against future taxable profits.

In the situation where the company is entitled to a tax holiday under the income-tax Act, 1961 enacted in India or tax laws prevailing in the respective tax jurisdiction where it operates, no deferred tax (asset or liability) is recognized in respect of timing differences which reverse during the tax holiday period, to the

**Notes to Financial Statements for the Year ended 31<sup>st</sup> March, 2017**

extent the company's gross total income is subject to the deduction during the tax holiday period. Deferred tax in respect of timing differences which after the tax holiday is recognized in the year in which the timing differences originate. However, the restrict recognition of deferred tax assets to the extent that it has become reasonable certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which such deferred tax can be realized. For recognition of deferred taxes, the timing difference which originates first is considered to reverse first.

At each reporting date, the company re-assesses unrecognized deferred tax assets. It recognized unrecognized deferred asset to the extent that it has become reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which such deferred tax assets can be realized.

The carrying amount of deferred tax assets are reviewed at each reporting date. The company writes-down the carrying amount of deferred tax asset to the extent that is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realized. Any such written-down is reserved to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available.

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set-off current tax assets against current tax liabilities and the deferred tax assets and deferred taxes relate to the same taxable entity and the same taxation authority.

Minimum alternate tax (MAT) paid in a year is charged to the statement of profit and loss tax. The company recognizes MAT credit available as an asset only to the extent that there is convincing evidence that the company will pay normal income tax during the specific period, i. e, the period for which MAT credit is allowed to be carried forward. In the year in which the company recognize MAT credit as an asset in accordance with the Guidance Note on Accounting for Credit Available in respect of Minimum Alternative Tax under the Income Tax Act, 1961, the said is created by way of credit to the statement of profit and loss and shown as "MAT Credit Entitlement." The company reviews the "MAT credit entitlement" asset at each reporting date and writes down the asset to the extent

the company does not have convincing evidence that it will pay normal tax during the specified period.

**i. Earnings per share**

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting preference dividends and attributable taxes) by the weighted average number of equity shares outstanding during the period. Partly paid equity shares are shares are treated as a fraction of an equity share to the extent that they are entitled to participate in dividends relative to a fully paid equity share during the reporting period. The weighted average number of equity shares outstanding during the period is adjusted for events such as bonus issue, bonus element in a right issue, share split, and reserve share split (consolidation of shares) that have changed the number of equity shares outstanding, without a corresponding change in resources.

**m. Provisions**

A provision is recognized when the company has a present obligation as a result of past event, it is probable that an outflow of resources embodying economic benefit will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

**n. Contingent liabilities**

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The company does not recognize a contingent liability but discloses its existence in the financial statement.

**o. Cash and cash equivalents**

Cash and cash an equivalent for the purposes of cash flow statement comprises cash at bank and in hand and short-term investments with an original maturity of three months or less.

Notes to Financial Statements for the Year ended 31<sup>st</sup> March, 2017

Sr. No.	Particulars	As at 31 <sup>st</sup> March, 2017		As at 31 <sup>st</sup> March, 2016	
		₹ In lakhs)		₹ In lakhs)	
3	<b>Share capital</b>				
	<b>Authorised</b> 8,50,00,000 (Previous year 8,50,00,000) Equity Shares of ₹ 10/- each		<b>8,500.00</b>		8,500.00
			<u>8,500.00</u>		<u>8,500.00</u>
	<b>Issued, subscribed and fully paid up</b> 8,27,98,042 (Previous Year 8,27,98,042) Equity Shares of ₹ 10/- each fully paid up.		<b>8,279.80</b>		8,279.80
			<u>8,279.80</u>		<u>8,279.80</u>
a.	<b>Reconciliation of shares outstanding at the beginning and at the end of the reporting period</b>				
	<b>Equity shares</b>	As at 31 <sup>st</sup> March, 2017		As at 31 <sup>st</sup> March, 2016	
		Nos.	₹ In lakhs	Nos.	₹ In lakhs
	At the beginning of the Year	<b>82,798,042</b>	<b>8,279.80</b>	82,798,042	8,279.80
	Issued during the year - Bonus	-	-	-	-
	Issued during the year - ESOP	-	-	-	-
	<b>Outstanding at the end of the year</b>	<u><b>82,798,042</b></u>	<u><b>8,279.80</b></u>	<u>82,798,042</u>	<u>8,279.80</u>
b.	<b>Term/rights attached to equity shares</b>				
	The company has only one class of equity shares having a par value of ₹ 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, 2017, the amount of per share dividend recognised as distributions to equity shareholders was ₹ NIL (Previous Year ₹ NIL).				
c.	<b>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:</b>				
		As at 31 <sup>st</sup> March, 2017		As at 31 <sup>st</sup> March, 2016	
		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


**Notes to Financial Statements for the Year ended 31<sup>st</sup> March, 2017**

Sr. No.	Particulars	As at 31 <sup>st</sup> March, 2017 (₹ In lakhs)		As at 31 <sup>st</sup> March, 2016 (₹ In lakhs)	
	<b>For the period of five years starting from preceding date</b>				
		No. of Shares		No. of Shares	
	F.Y. 2015-2016		NIL		NIL
	F.Y. 2014-2015		NIL		NIL
	F.Y. 2013-2014		NIL		NIL
	F.Y. 2012-2013		NIL		NIL
	F.Y. 2011-2012		NIL		NIL
d	<b>Details of shareholders holding more than 5% shares in the company</b>				
		Nos.	% holding	Nos.	% holding
	Equity shares of ₹ 10 each fully paid Fahrenheit Fun and Games Private Limited	5,833,333	7.05	5,833,333	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.				
4	<b>Reserves and Surplus :</b>				
	<b>Capital Reserve</b>				
	Balance as per last financial statements		30.00		30.00
	Less: amount transferred to the statement of profit and loss as reduction from depreciation		-		-
	<b>Closing Balance</b>		<b>30.00</b>		<b>30.00</b>
	<b>General reserve</b>				
	Balance as per last financial statements		6,303.51		6,303.51
	<b>Closing Balance</b>		<b>6,303.51</b>		<b>6,303.51</b>
	<b>Surplus/(deficit) in the statement of profit and loss</b>				
	Balance as per last financial statements (A)		(13,966.70)		(13,372.96)
	Add: (Deficit)/Surplus for the Year (B)		(576.76)		(593.74)
	<b>Closing Balance (A + B)</b>		<b>(14,543.46)</b>		<b>(13,966.70)</b>
	<b>Total Reserves and Surplus</b>		<b>(8,209.95)</b>		<b>(7,633.19)</b>

Notes to Financial Statements for the Year ended 31<sup>st</sup> March, 2017

Sr. No.	Particulars	As at 31 <sup>st</sup> March, 2017		As at 31 <sup>st</sup> March, 2016	
		(₹ In lakhs)		(₹ In lakhs)	
5	<b>Long term borrowings</b>				
	Others		-		11.30
	<b>Total</b>		-		11.30
	<b>The above amount includes</b>				
	Secured borrowings		-		11.30
	Unsecured borrowings		-		-
	<b>Total Amount</b>		-		11.30
	Others includes, Vehicle loan of ₹ NIL(Previous Year ₹ 11.30 Lakhs) borrowed from ICICI Bank Limited @ interest rate of 9.99% p.a. against security of Vehicle.				
6	<b>Other long term Liability</b>				
	Others				
	Advance from customers		6.14		5.51
	<b>Total</b>		6.14		5.51
7	<b>Long term Provisions</b>				
	<b>Provisions for employee benefits</b>				
	Provision for gratuity		4.91		4.87
	Provision for leave benefits		7.56		14.10
	Others		182.54		182.60
	<b>Total</b>		195.01		201.57
8	<b>Trade payables</b>				
	<b>Trade payables (including acceptance)</b>				
	Due to micro and small enterprises (Refer note no: 29)		-		-
	Others		374.46		302.15
	<b>Total</b>		374.46		302.15
9	<b>Other Current Liabilities</b>				
	Current maturities of long term borrowings		-		9.49
	From Related Parties		19.19		-
	Others		7.55		28.73
	<b>Total</b>		26.74		38.22



**Notes to Financial Statements for the Year ended 31<sup>st</sup> March, 2017**

**Note No.10 for Tangible Assets**

(₹ In lakhs)

Sr. No.	Particulars	Gross Block			Depreciation			Net Block			
		As at 01.04.2016	Additions	Adjustment During the year	As at 31.03.2017	Dep. On 01.04.2016	For the Year	Adjustment during the year	Upto 31-Mar-17	As at 31-Mar-16	As at 31-Mar-17
1	Land	3.45	-	-	3.45	-	-	-	-	3.45	3.45
2	Vehicles	144.36	-	31.42	112.94	116.17	0.93	4.16	112.94	-	28.19
	<b>TOTAL</b>	<b>147.81</b>	<b>-</b>	<b>31.42</b>	<b>116.39</b>	<b>116.17</b>	<b>0.93</b>	<b>4.16</b>	<b>112.94</b>	<b>3.45</b>	<b>31.64</b>
	Previous Year	202.22	31.43	(85.84)	147.81	116.36	3.24	(3.43)	116.17	31.64	85.86

**PREVIOUS YEAR:**

**Note No.10 for Tangible Assets**

(₹ In lakhs)

Sr. No.	Particulars	Gross Block			Depreciation			Net Block			
		As at 01.04.2015	Additions	Adjustment(*) During the year	As at 31.03.2016	Dep. On 01.04.2015	For the Year	Adjustment during the year	Upto 31-Mar-16	As at 31-Mar-15	As at 31-Mar-16
1	Land	3.45	-	-	3.45	-	-	-	-	3.45	3.45
2	Vehicles	198.77	31.43	(85.84)	144.36	116.36	3.24	(3.43)	116.17	28.19	82.41
	<b>TOTAL</b>	<b>202.22</b>	<b>31.43</b>	<b>(85.84)</b>	<b>147.81</b>	<b>116.36</b>	<b>3.24</b>	<b>(3.43)</b>	<b>116.17</b>	<b>31.64</b>	<b>85.86</b>
	Previous Year	116.38	85.84	(171.68)	373.90	112.78	3.58	-	116.36	85.86	3.60

**Note:** \*The adjustment represents the replace of vehicle due to default in the earlier vehicle.



Notes to Financial Statements for the Year ended 31<sup>st</sup> March, 2017

Sr. No.	Particulars	As at 31 <sup>st</sup> March, 2017		As at 31 <sup>st</sup> March, 2016	
		(₹ In lakhs)		(₹ In lakhs)	
11	<b>Long term loans and advances</b>				
	Security deposits				
	Secured, considered good	-		-	
	unsecured, considered good	0.61		1.36	
	Doubtful	-		-	
		0.61		1.36	
	Provision for doubtful advances	-		-	
<b>Total</b>	<b>0.61</b>		<b>1.36</b>		
12	<b>Inventories:(Valued at lower of Cost and net realisable value)</b>				
	Stock in Trade	-		160.18	
	<b>Work in Progress:</b>				
	Opening	-		794.20	
	Add: Additions during the year	-		432.31	
		-		1,226.51	
	Less: Cost transferred to Profit & Loss account	-		1226.51	
	Closing Work in Progress	-		-	
	<b>Total</b>	<b>-</b>		<b>160.18</b>	
	13	<b>Trade receivables</b>			
<b>Outstanding for a period exceeding six months from the date they are due for payment</b>					
Secured, considered good		-		-	
Unsecured, considered good		120.44		120.44	
Doubtful		-		-	
		120.44		120.44	
Provisions for doubtful receivables		-		-	
<b>Total (A)</b>		<b>120.44</b>		<b>120.44</b>	
<b>Other Receivables:</b>					
Secured, considered good		-		-	
Unsecured, considered good		9.83		12.80	
Doubtful		-		-	
		9.83		12.80	
Provisions for doubtful receivables		-		-	
<b>Total (B)</b>	<b>9.83</b>		<b>12.80</b>		
<b>Total (A+B)</b>	<b>130.27</b>		<b>133.24</b>		

**Notes to Financial Statements for the Year ended 31<sup>st</sup> March, 2017**

Sr. No.	Particulars	As at 31 <sup>st</sup> March, 2017		As at 31 <sup>st</sup> March, 2016	
		(₹ In lakhs)		(₹ In lakhs)	
14	<b>Cash and cash equivalent</b>				
	<b>Balance with banks:</b>				
	On current accounts		42.88		33.91
	Cash on Hand		1.08		0.93
	<b>Total</b>		<u>43.96</u>		<u>34.84</u>
15	<b>Short term loans and advances</b>				
	unsecured, considered good:				
	Advances to related parties		45.45		268.17
		(A)	<u>45.45</u>		<u>268.17</u>
	<b>Other loans and advances</b>				
	Advance income tax (net of provision for taxation)		43.85		44.66
	Prepaid expenses		-		-
	(B)	<u>43.85</u>		<u>44.66</u>	
	<b>Total (A) + (B)</b>		<u>89.30</u>		<u>312.83</u>
16	<b>Other current assets:</b>				
	Advance to Suppliers: (Unsecured)		18.03		25.94
	Doubtful		-		-
			<u>18.03</u>		<u>25.94</u>
	Less: Provision for Doubtful advances		-		-
			<u>18.03</u>		<u>25.94</u>
	Other Current Assets		386.58		505.33
	<b>Total</b>		<u>404.61</u>		<u>531.27</u>

Notes to Financial Statements for the Year ended 31<sup>st</sup> March, 2017

Sr. No.	Particulars	Year ended 31 <sup>st</sup> March, 2017 (₹ in lakhs)	Year ended 31 <sup>st</sup> March, 2016 (₹ in lakhs)
17	<b>Revenue from operations</b>		
	<b>Sales of products</b>		
	Sale of Flats	239.72	1284.98
	<b>Other operating revenue</b>		
	Others	50.33	-
	<b>Revenue from operations</b>	<u>290.05</u>	<u>1284.98</u>
18	<b>Other Income</b>		
	<b>Interest income on:</b>		
	Bank deposits	-	-
	others	-	-
		<u>-</u>	<u>-</u>
19	<b>Construction and Other Expenses:</b>		
	Material Cost	-	268.14
	Labour Cost	-	778.12
	Legal & Professional Expenses	-	4.60
	Marketing Expenses	-	161.70
	Other Expenses	-	13.95
		<u>-</u>	<u>1226.51</u>
20	<b>Changes in inventories of finished goods, work-in-progress and Stock-in-Trade</b>		
	Stock in Trade at the beginning of the Year	160.18	323.09
	Stock in Trade at the end of the Year	-	160.18
	<b>(Increase)/Decrease in Stock in Trade</b>	<u>160.18</u>	<u>162.91</u>
21	<b>Employee benefit expenses:</b>		
	Salaries, wages and bonus	46.32	94.05
	Gratuity expense	0.04	-
	Staff welfare expenses	0.38	0.55
		<u>46.74</u>	<u>94.60</u>
22	<b>Financial costs</b>		
	Interest	2.04	3.99
		<u>2.04</u>	<u>3.99</u>

Notes to Financial Statements for the Year ended 31<sup>st</sup> March, 2017

Sr. No.	Particulars	Year ended 31 <sup>st</sup> March, 2017 (₹ in lakhs)	Year ended 31 <sup>st</sup> March, 2016 (₹ in lakhs)
<b>23</b>	<b>Other Expenses</b>		
	Repairs and maintenance - Others	-	0.02
	Advertising and sales promotions	0.45	0.27
	Travelling and Conveyance	8.23	1.83
	Payment to Auditors	1.05	1.05
	Miscellaneous Expenses	1.26	1.86
	Communication Expenses	0.92	1.32
	Legal & Professional Fees	26.80	24.87
	Vehicle Expenses	1.63	0.74
	Share Transfer & Mailing Expenses	2.60	3.29
	Listing Fees	2.00	2.00
	Membership and Subscription	3.06	2.69
	Bank charges	0.94	0.01
	Insurance	-	0.62
	Postage & Courier	6.14	5.35
	Professional Tax (Company)	-	0.02
	Rent	2.39	1.60
	Printing & Stationery expenses	4.60	4.29
	Compensation Expenses	4.41	41.84
	Sundry Balances written off	124.14	292.45
	Loss on Sale of Asset	3.26	-
	Sitting Fees	2.00	1.35
		<b>195.88</b>	<b>387.47</b>
	<b>Payment to Auditor:</b>		
	<b>As Auditor:</b>		
	Audit fee	0.75	0.75
	Tax audit fee	0.30	0.30
	<b>In other capacity:</b>		
	Other services(certification fees)	-	-
		<b>1.05</b>	<b>1.05</b>
<b>24</b>	<b>Earning per share (EPS)</b>		
	The following reflects the profit and share data used in the basic and diluted EPS computations.		
	Profit/(loss) after tax (₹) (A)	<b>(11,571,650)</b>	(59,373,724)
	No. of outstanding equity share (B)	<b>82798042</b>	82798042
	<b>Earning per share (EPS) (A)/(B)</b>	<b>(0.14)</b>	(0.72)



## Notes to Financial Statements for the Year ended 31<sup>st</sup> March, 2017

### 25. Employee Benefit

Consequent to Revised Accounting Standards 15 (AS-15) "Employee Benefits" read with guidance note on implementation of AS-15 issued by Institute of Chartered Accountants of India, effective from April 1, 2007, the company has reviewed and revised its accounting policy in respect of employee benefits.

Sr. No.	Particulars	Amount in ₹ as on 31.03.2017		
		Gratuity (Unfunded)	Leave Salary (Unfunded)	Total
[I]	<b>Reconciliation in Present Value of Obligation (PVO) - defined benefits</b>			
	Current Service Cost	1.24	0.02	1.26
		1.08	1.45	2.53
	Interest Cost	0.39	1.13	1.52
		0.52	0.75	1.27
	Actuarial (gain)/ losses	(1.59)	(7.29)	(8.88)
		(3.45)	2.23	(1.22)
	Benefits Paid	-	0.40	0.40
		-	-	-
	Past service cost			
	PVO at the beginning of the year	4.87	14.10	18.97
		6.72	9.67	16.39
	PVO at end of the year	4.91	7.56	12.47
		4.87	14.10	18.97
[II]	<b>Change in fair value of plan assets :</b>			
	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	-	-	-
[III]	<b>Reconciliation of PVO and fair value of plan assets :</b>			
	PVO at end of year	4.91	7.56	12.47
		4.87	14.10	18.97
	Fair value of plan assets at end of the year			
		NIL	NIL	NIL
	Funded status			
	Unrecognised actuarial (gain)/ losses			
	Net assets/(liability) recognised in the balance sheet	(4.91)	(7.56)	(12.47)
		(4.87)	(14.10)	(18.97)

Notes to Financial Statements for the Year ended 31<sup>st</sup> March, 2017

Sr. No.	Particulars	Amount in ₹ as on 31.03.2017		
		Gratuity (Unfunded)	Leave Salary (Unfunded)	Total
<b>[IV]</b>	<b>Net cost for the year ended March 31, 2017</b>			
	<b>Current Service Cost</b>	<b>1.24</b>	<b>0.02</b>	<b>1.26</b>
		1.08	1.45	2.53
	<b>Interest Cost</b>	<b>0.39</b>	<b>1.13</b>	<b>1.52</b>
		0.52	0.75	1.27
	<b>Expected Return on plan assets</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>
		NIL	NIL	NIL
	<b>Actuarial (gain)/ losses</b>	<b>(1.59)</b>	<b>(7.29)</b>	<b>(8.88)</b>
		(3.45)	2.23	(1.22)
	<b>Net Cost</b>	<b>0.03</b>	<b>(6.13)</b>	<b>(6.10)</b>
		(1.85)	4.43	2.58
<b>[V]</b>	<b>Category of assets as at March 31, 2017</b>	-	-	-
		-	-	-
<b>[VI]</b>	<b>Actual return of plan assets</b>	-	-	-
		-	-	-
<b>[VII]</b>	<b>Assumption used in accounting for the Gratuity &amp; Leave Salary plan:</b>			
	<b>Discount rate (%)</b>	<b>7.50%</b>	<b>7.50%</b>	
		8%	8%	
	<b>Salary escalation rate (%)</b>	<b>8.50%</b>	<b>8.50%</b>	
		8.50%	8.50%	
	<b>Expected amount of return on plan assets</b>	-	-	-
		-	-	-

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

#### 26. Segment Information:

The Company primarily deals in the business of Real Estate and hence there is no Primary reportable segment in the context of Accounting Standard – 17 issued by Institute of Chartered Accountants of India (ICAI).

#### 27. 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:

##### a. List of related parties and their relationship:

Name of the Party
A.G. Estate Private Limited
Ajmera Cement Private Limited
Ajmera Realty & Infra India Ltd.
Ajmera Housing Corporation Bangalore
Ajmera Housing Corporation
Ajmera Steel Strips Limited
Bombay Freezco Private Limited
Jolly Brothers Private Limited
Vijay Nagar Appartment
Rushabh Investments Pvt. Ltd.
Yogi Nagar Vasahat Private Limited
Four Brothers
Nilkanth Tech Park Private Limited



## Notes to Financial Statements for the Year ended 31<sup>st</sup> March, 2017

### b. 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

### c. Key Managerial Personnel :

- i) Mr. Harsh L. Mehta (Managing Director)
- ii) Mr. Harish G. Taparia (Chief Financial Officer)
- iii) Mr. Akshay R. Sharma (Asst. Company Secretary)

#### Relatives of Key Managerial Personnel:

- Mr. Lalit J. Mehta
- Mrs. Amish H. Mehta
- Mrs. Kumud L. Mehta
- Mr. Akshar H. Mehta
- Mrs. Madhubala H. Taparia
- Mr. Rajkumar G. Sharma
- Ms. Savita R. Sharma

### d. Disclosure in respect of material transactions with related parties:

(₹ In lakhs)

Nature of Transaction	Related Parties	Year Ended 31.03.2017		Year Ended 31.03.2016	
		Transaction Amount	Maximum Outstanding	Transaction Amount	Maximum Outstanding
Finance received / (repaid)	Ajmera Cements Private Limited	-	-	(1500.00)	(1500.00)
Advance Paid towards purchase of flats	Ajmera Housing Corporation – Bangalore	165.65	347.00	268.16	181.80
Advance refund received against booking cancellation of flats	Ajmera Housing Corporation – Bangalore	388.36	-	-	-
Amount received against compensation	Ajmera Housing Corporation – Bangalore	45.00	-	-	-
Advance paid (received)	Ajmera Cements Private Limited	-	-	(1383.33)	-

**Notes to Financial Statements for the Year ended 31<sup>st</sup> March, 2017****28. Contingent Liabilities:**

Contingent Liabilities not provided for in respect of:

Name of Statute	Nature of Dues	Amount (₹ in Lacs)	Period to which Amount relates	Forum where pending
Service Tax	GTA of Services	22.85	2005 -06	Appeal has been filed in CESTAT.
Service Tax	Cenvat credit on Service Tax	95.84	2006-07 & 2007-08	Appeal has been filed in CESTAT.

**29. Disclosure under Micro, Small and Medium Enterprises Development Act, 2006:**

- The principal amount and the interest due thereon remaining unpaid to any supplier at the end of each accounting year : Nil
- 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.
- 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
- The amount of Interest accrued and remaining unpaid at the end of each accounting year Nil
- 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.8 –“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.

**30. TAXATION:**

- 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.
- 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 the Accounting Standard 22.

**31. Value of Import Calculated on CIF Basis: - NIL (Previous Year NIL)****32. Earnings & Expenditure in Foreign Currency (accrual basis): - Expenses: ₹ 461.04 lakhs (Previous Year NIL)****33. Imported and indigenous raw materials, components and spare parts consumed: - NIL (Previous Year NIL)****34. Regrouping of Previous Year Figures.**

The company has reclassified/regrouped/rearranged previous year figures to conform to this year's classification/regrouping/rearrangement.

- The balances in Debtors, Creditors, few bank balances and advance accounts are subject to confirmation and reconciliation if any. However, as per the management opinion no material impact on financial statements out of such reconciliation is anticipated.





## Notes to Financial Statements for the Year ended 31<sup>st</sup> March, 2017

### 36. Disclosure on Specified Bank Notes (SBNs)

During the year, the Company had specified bank notes or other denomination note as defined in the MCA notification G.S.R. 308(E) dated March 31, 2017 on the details of Specified Bank Notes (SBN) held and transacted during the period from November 8, 2016 to December 30, 2016, the denomination wise SBNs and other notes as per the notification is given below:

(₹ In lakhs)

Particulars	SBNs*	Other Denomination Notes	Total
Closing Cash on hand as on 08/11/2016	-	1.25	1.25
(+) Permitted Receipts	-	0.50	0.50
(-) Permitted Payments	-	0.11	0.11
(-) Amount Deposited in Banks	-	-	-
Closing Cash on hand as on 30/12/2016	-	1.64	1.64

\* For the purposes of this clause, the term 'Specified Bank Notes' shall have the same meaning provided in the notification of the Government of India, in the Ministry of Finance, Department of Economic Affairs number S.O. 3407(E), dated the 8<sup>th</sup> November, 2016.

### 37. Capital and other commitments

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

### 38. Subsequent events

There is not any subsequent event reported after the date of financial statements.

As per our report of even date  
For and on behalf of  
**V. PAREKH & ASSOCIATES**  
CHARTERED ACCOUNTANTS  
Firm Reg. No. 107488W

**RASESH V. PAREKH**  
PARTNER  
Membership No. 38615

**Place:** Mumbai  
**Dated:** 22<sup>nd</sup> May, 2017

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

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

**HARISH G. TAPARIA**  
CHIEF FINANCIAL OFFICER

**Place:** Mumbai  
**Dated:** 22<sup>nd</sup> May, 2017

**NILESH SARVAIYA**  
NON EXECUTIVE DIRECTOR  
DIN: 00799636

**AKSHAY R. SHARMA**  
ASST. COMPANY SECRETARY

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## FORM NO. SH-13 NOMINATION FORM

[Pursuant to section 72 of the Companies Act, 2013 and rule 19(1) of the Companies  
(Share Capital and Debentures) Rules 2014]

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

I/We \_\_\_\_\_ the holder(s) of the securities particulars of which are given hereunder wish to make nomination and do hereby nominate the following persons in whom shall vest, all the rights in respect of such securities in the event of my/our death.

**(1) PARTICULARS OF THE SECURITIES (in respect of which nomination is being made)**

Nature of Securities	Folio No.	No. of Securities	Certificates No.	Distinctive No.

**(2) PARTICULARS OF NOMINEE/S —**

- (a) Name :
- (b) Date of Birth :
- (c) Father's/Mother's/Spouse's name :
- (d) Occupation :
- (e) Nationality :
- (f) Address :
- (g) E-mail id :
- (h) Relationship with the security holder :

**(3) IN CASE NOMINEE IS A MINOR -**

- (a) Date of birth :
- (b) Date of attaining majority :
- (c) Name of guardian :
- (d) Address of guardian :

**(4) PARTICULARS OF NOMINEE IN CASE MINOR NOMINEE DIES BEFORE ATTAINING AGE OF MAJORITY -**

- (a) Name :
- (b) Date of Birth :
- (c) Father's/Mother's/Spouse's name :
- (d) Occupation :
- (e) Nationality :
- (f) Address :
- (g) E-mail id :
- (h) Relationship with the security holder :
- (i) Relationship with the minor nominee :

Name : \_\_\_\_\_

Address : \_\_\_\_\_

Name of the Security Holder(s) : \_\_\_\_\_

Signature : \_\_\_\_\_

Witness with name and address : \_\_\_\_\_

# SHREE PRECOATED STEELS LIMITED

CIN : L70109MH2007PLC174206

Registered office : 1, Ground Floor Citi Mall, New Link Road, Andheri (West ), Mumbai – 400053.

Tel. No. :+91-22-65526677 | Email Id: investors.spsl@gmail.com | Website: www.spsl.com

## ATTENDANCE SLIP

PLEASE FILL THE ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE MEETING HALL

I/we hereby record my/our presence at 9<sup>th</sup> Annual General Meeting of the Company held on 29<sup>th</sup> September, 2017 at 11:00 a.m. at Activity Hall, Ground Floor, Juhu Gymkhana Club, J.V.P.D Scheme, Vile Parle (W), Mumbai-400049

Folio No. \_\_\_\_\_ DP ID No. \_\_\_\_\_ Client ID No. \_\_\_\_\_  
Name of the Member \_\_\_\_\_ Signature \_\_\_\_\_  
Name of the Proxyholder \_\_\_\_\_ Signature \_\_\_\_\_  
Number of Shares \_\_\_\_\_

1. Only Member/Proxy holder can attend the Meeting.
2. Member/Proxy holder should bring his/her copy of the Annual Report for reference at the Meeting.

# SHREE PRECOATED STEELS LIMITED

CIN : L70109MH2007PLC174206

Registered office : 1, Ground Floor Citi Mall, New Link Road, Andheri (West ), Mumbai – 400053.

Tel. No. :+91-22-65526677 | Email Id: investors.spsl@gmail.com | Website: www.spsl.com

## Form No. MGT 11 PROXY FORM

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

Name of the Member(s)		E-mail ID	
Registered Address		Folio No. / Client No.	
		DP ID	

I/We, being the Holder(s) of \_\_\_\_\_ number shares of Shree Precoated Steels Ltd, hereby appoint;

1 Name	
Address	
Email ID	Signature

of falling him/her

2 Name	
Address	
Email ID	Signature

of falling him/her

3 Name	
Address	
Email ID	Signature

As my/our proxy to attend and vote ( on a poll ) for me/us and on my/our behalf at the 9<sup>th</sup> Annual General Meeting of the company, to be held on 29<sup>th</sup> September, 2017 at 11:00 am at Activity Hall, Ground Floor, Juhu Gymkhana Club, J.V.P.D Scheme, Vile Parle (W), Mumbai-400049 and at any adjournment thereof in respect of such resolutions as are indicated below:-



\* I wish my above proxy to vote as indicated in the box below:

Sr. No.	Resolution	For	Against
1	To Consider and adopt Audited Financial Statements for the year ended March 31, 2017 together with the Reports of Auditors thereon.		
2	To ratify appointment of Statutory Auditor.		
3	To re-appoint Mr. Nilesh H. Sarvaiya (DIN:00799636), Non-Executive Director, who retires by rotation.		
4	Determination of fees to be charged for service of document in a particular Mode.		

Signed this \_\_\_\_\_ Day of \_\_\_\_\_ 2017

Revenue stamp
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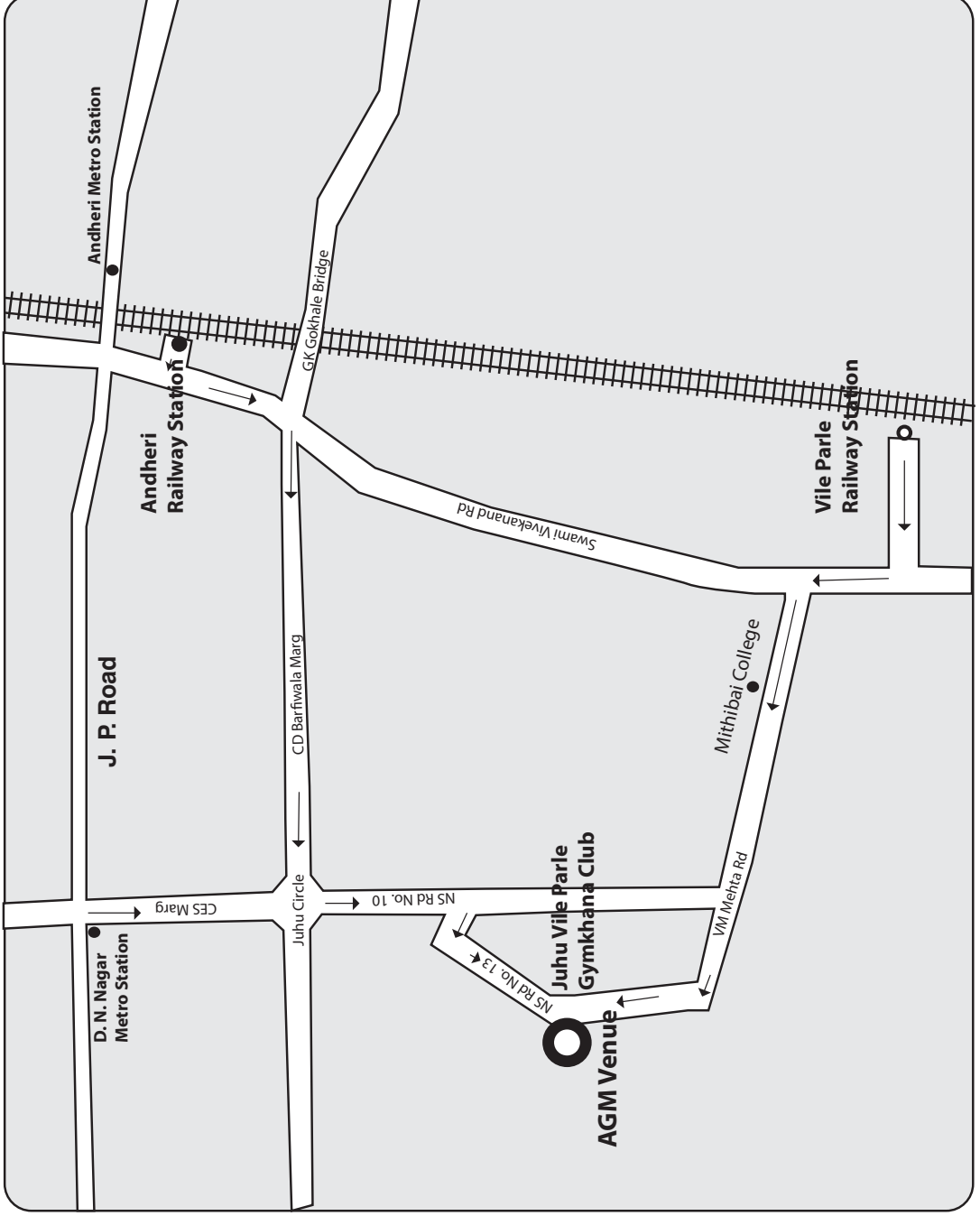
Signature of Shareholder(s) \_\_\_\_\_

Signature of Proxy holder(s) (1) \_\_\_\_\_ (2) \_\_\_\_\_ (3) \_\_\_\_\_

**Notes:**

- 1) This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company not less than 48 hours before the commencement of the meeting.
- 2) A proxy need not to be a member of the Company.
- 3) A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. A member holding more than 10% of the share capital of the company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
- 4) Appointing a proxy does not prevent a member from attending the meeting in person if he so wishes.
- 5) In the case of joint holders, the signature of any one holder will be sufficient, but names of all the joint holders should be stated.
- 6) \* It is optional to put an 'X' in the appropriate column against the Resolutions indicated in the Box. If you leave the 'For' or 'Against' column blank against any or all Resolutions, your Proxy will be entitled to vote in the manner as he/she thinks appropriate.

# AGM ROUTE MAP



**REGISTERED POST / COURIER**

**STAMP**

**If undelivered please return to:**

**Sharex Dynamic (India) Pvt. Ltd.  
Unit: SHREE PRECOATED STEELS LTD.  
Unit No. 1, Luthra Industrial Premises,  
Andheri Kurla Road, Safed Pool, Sakinaka,  
Andheri (East), Mumbai - 400 072.**