

# Sacheta Metals Limited

Government Recognised Export House (INDIA)

## House of Aluminium

Mfg & Exporter of : Aluminium Utensils, Casting, Non-Stick Cookware, Pressure Cooker & other House ware, Aluminium Sheet, Coil, Foil Stock, Circle, Foil, Coil/Sheets for P.P. Caps, House Foil, Slugs, Chequered Sheet etc.



**Quality & Service is our Moto...**



# 29<sup>th</sup> Annual Report

for the year ended 31st March 2019



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**SACHETA METALS LIMITED**
**BOARD OF DIRECTORS:**

Mr. Satishkumar K. Shah	-Managing Director
Mrs. Chetnaben S. Shah	-Jt.Managing Director
Mr. Ankitkumar S. Shah	-Executive Director
Mr. Pranav S. Shah	-Executive Director
Mr. Kashyap Badheka	-Independent Director
Mr. Jagdish Gandhi	-Independent Director
Mr. Dilipkumar S. Sanghvi	-Independent Director
Ms. Zarna Shah	-Independent Director

**AUDITOR:**

**Kiran & Pradip Associates**  
Chartered Accountants  
Ahmedabad

**AUDIT COMMITTEE:**

Mr. Kashyap Badheka	-Chairman
Ms. Zarna Shah	-Member
Mr. Satishkumar K. Shah	-Member

**COMPANY SECRETARY  
& COMPLIANCE OFFICE:**

Ms. Payal Chhabria  
(Up to 30.05.2019)

**STAKEHOLDER RELATIONSHIP COMMITTEE:**

Mr. Jagdish Gandhi	-Chairman
Mr. Kashyap Badheka	-Member
Mr. Ankitkumar S. Shah	-Member

**BANKERS:**

State Bank of India  
Malad, Mumbai

**NOMINATION AND REMUNERATION COMMITTEE:**

Mr. Jagdish Gandhi	-Chairman
Mr. Kashyap Badheka	-Member
Ms. Zarna Shah	-Member

**REGISTERED OFFICE:**

Block No. 33, Sacheta Udyognagar  
Village Mahiyal, Tal: Talod  
Dist: Sabrkhantha(Gujarat)

**CORPORATE OFFICE:**

Sakseria Industrial Estate,  
Chincholi, Behind Hanuman Temple  
S.V. Road , Malad(W)  
Mumbai-400064  
sacheta@sacheta.com  
website: www.sacheta.com

**REGISTRAR AND SHARE TRANSFER AGENT:**

M/S Pura Sharegistry India Pvt Ltd  
Gala No.9, Shiv Shakti Industrial Estate,  
Sitaram Mill Compound, J.R. Boricha Marg,  
Lower Parel(E), Mumbai-400011

**NOTICE**

Notice is hereby given that **Twenty Ninth Annual General Meeting** of the Members of **SACHETA METALS LIMITED** will be held on Saturday, the 28th September, 2019 at 11.00 a.m. at the Registered office of the Company at Block No. 33, Sacheta Udyognagar, Village:Mahiyal Tal: Talod, Dist.:Sabarkantha (Gujarat) 383215 to transact the following business:

**ORDINARY BUSINESS:**

1. To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended on March 31, 2019, together with the Report of the Board of Directors and Auditors thereon.
2. To declare dividend on equity shares for the financial year 2018-19.
3. To appoint a Director in place of Mr.Ankit S. Shah (DIN 00237217), who retires by rotation and, being eligible, offers himself for re-appointment.

**4. Appointment of Ms. Zarnaben Dhaval Shah (DIN 08351755), as an Independent Director**

To consider and, if thought fit, to pass the following resolution as an Ordinary Resolution:

**"RESOLVED** that Ms.Zarnaben Dhaval Shah (DIN 08351755), who was appointed by the Board of Directors as an Additional Director of the Company with effect from February 8, 2019 and who holds office up to the date of this Annual General Meeting of the Company in terms of Section 161(1) of the Companies Act, 2013 ("Act") and who is eligible for appointment and in respect of whom the Company has received a notice in writing from a Member under Section 160(1) of the Act proposing her candidature for the office of Director of the Company, be and is hereby appointed as Director of the Company."

**"RESOLVED FURTHER** that pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Act, the Companies (Appointment and Qualifications of Directors) Rules, 2014, read with Schedule IV to the Act and Regulation 17 and other applicable regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), as amended from time to time, the appointment of Ms. Zarnaben Dhaval Shah, who meets the criteria for independence as provided in Section 149(6) of the Act along with the rules framed thereunder, and Regulation 16(1)(b) of SEBI Listing Regulations and who has submitted a declaration to that effect, and who is eligible for appointment as an Independent Director of the Company, not liable to retire by rotation, for a term of five years commencing from February 8, 2019 to February 7, 2024, be and is hereby approved."

**5. Re-appointment of Mr.Jagdish Gandhi as an Independent Director**

To consider and, if thought fit, to pass the following Resolution as Special Resolution:

**"RESOLVED** that pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 ("Act"), the Companies (Appointment and Qualifications of Directors) Rules, 2014, read with Schedule IV to the Act and Regulation 17 and other applicable regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), as amended from time to time, Mr.Jagdish Gandhi (DIN 02384640), who was appointed as an Independent Director at the twenty fourth Annual General Meeting of the Company and who holds office up to September 30, 2019 and who is eligible for re-appointment and who meets the criteria for independence as provided in Section 149(6) of the Act along with the rules framed thereunder and Regulation 16(1)(b) of SEBI Listing Regulations and who has submitted a declaration to that effect and in respect of whom the Company has received a Notice in writing from a Member under Section 160(1) of the Act proposing his candidature for the office of Director, be and is hereby re-appointed as an Independent Director of the Company, not liable to retire by rotation, to hold office for a second term of five years commencing with effect from October 1, 2019 upto September 30, 2024."

**6. Re-appointment of Mr. Dilipkumar Sanghavi as an Independent Director**

To consider and, if thought fit, to pass the following Resolution as Special Resolution:

**"RESOLVED** that pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 ("Act"), the Companies (Appointment and Qualifications of Directors) Rules, 2014, read with Schedule IV to the Act and Regulation 17 and other applicable regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), as amended from time to time, Mr. Dilipkumar Sanghavi (DIN 06954684), who was appointed as an Independent Director at the twenty fourth Annual General Meeting of the Company and who holds office up to September 30, 2019 and who is eligible for re-appointment and who meets the criteria for independence as provided in Section 149(6) of the Act along with the rules framed thereunder and Regulation 16(1)(b) of SEBI Listing Regulations and who has submitted a declaration to that effect and in respect of whom the Company has received a Notice in writing from a Member under Section 160(1) of the Act proposing his candidature for the office of Director, be and is hereby re-appointed as an Independent Director of the Company, not liable to retire by rotation, to hold office for a second term of five years commencing with effect from October 1, 2019 upto September 30, 2024."

**7. Re-appointment of Mr. Satish Keshavlal Shah as Managing Director**

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

**RESOLVED THAT** pursuant to the provisions of Sections 196, 197 and 203 and other applicable provisions, if any, of the Companies Act, 2013, (including any amendment thereto or enactment thereof for the time being in force), read with Schedule V to the Companies Act, 2013, the consent of the Company be and is hereby accorded to the terms of reappointment of Mr. Satish Keshavlal Shah (DIN 00237283) as Managing Director of the Company for a period of from 1st Oct.2019 to 30th September, 2022 on the terms and conditions of appointment and remuneration as set out in the draft agreement of the

reappointment submitted to the meeting and initialed by the Chairman for identification and that he be paid remuneration by way of salary, perquisites, allowances and commission as approved by the Board of Directors of the Company and the Nomination & Remuneration Committee and as set out in the Explanatory Statement annexed hereto.

**RESOLVED FURTHER THAT** the Board of Directors and the Nomination & Remuneration Committee be and are hereby severally authorized to alter and vary such terms of reappointment and remuneration so as to not exceed the limits specified in Schedule V to the Companies Act, 2013, as may be agreed to by the Board of Directors and Mr. Satish Keshavlal Shah.

**8. Re-appointment of Mrs. Chetnaben S. Shah as Managing Director**

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

**RESOLVED THAT** pursuant to the provisions of Sections 196 , 197 and 203 and other applicable provisions, if any, of the Companies Act, 2013, (including any amendment thereto or enactment thereof for the time being in force), read with Schedule V to the Companies Act, 2013, the consent of the Company be and is hereby accorded to the terms of reappointment of Mrs. Chetnaben S. Shah (DIN 00237410) as Joint Managing Director of the Company for a period from 1st October, 2019 to 30th September, 2022 on the terms and conditions of appointment and remuneration as set out in the draft agreement of the reappointment submitted to the meeting and initialed by the Chairman for identification and that he be paid remuneration by way of salary, perquisites, allowances and commission as approved by the Board of Directors of the Company and the Nomination & Remuneration Committee and as set out in the Explanatory Statement annexed hereto.

**RESOLVED FURTHER THAT** the Board of Directors and the Nomination & Remuneration Committee be and are hereby severally authorized to alter and vary such terms of reappointment and remuneration so as to not exceed the limits specified in Schedule V to the Companies Act, 2013, as may be agreed to by the Board of Directors and Mrs. Chetanaben S. Shah.

**9. Re-appointment of Mr. Ankit S. Shah as an Executive Director**

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

**RESOLVED THAT** pursuant to the provisions of Sections 196 , 197 and 203 and other applicable provisions, if any, of the Companies Act, 2013, (including any amendment thereto or enactment thereof for the time being in force), read with Schedule V to the Companies Act, 2013, the consent of the Company be and is hereby accorded to the terms of reappointment of Mr. Ankit S. Shah (DIN 00237217) as an Executive Director of the Company for a period from 1st October, 2019 to 30th September, 2022 on the terms and conditions of appointment and remuneration as set out in the draft agreement of the reappointment submitted to the meeting and initialed by the Chairman for identification and that he be paid remuneration by way of salary, perquisites, allowances and commission as approved by the Board of Directors of the Company and the Nomination & Remuneration Committee and as set out in the Explanatory Statement annexed hereto.

**RESOLVED FURTHER THAT** the Board of Directors and the Nomination & Remuneration Committee be and are hereby severally authorized to alter and vary such terms of reappointment and remuneration so as to not exceed the limits specified in Schedule V to the Companies Act, 2013, as may be agreed to by the Board of Directors and Mr. Ankit S. Shah.

**10. Re-appointment of Pravav S. Shah as an Executive Director**

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

**RESOLVED THAT** pursuant to the provisions of Sections 196 , 197 and 203 and other applicable provisions, if any, of the Companies Act, 2013, (including any amendment thereto or enactment thereof for the time being in force), read with Schedule V to the Companies Act, 2013, the consent of the Company be and is hereby accorded to the terms of reappointment of Mr. Pranav S. Shah (DIN 06949685) as an Executive Director of the Company for a period from 1st October 2019 to 30th September, 2022 on the terms and conditions of appointment and remuneration as set out in the draft agreement of the reappointment submitted to the meeting and initialed by the Chairman for identification and that he be paid remuneration by way of salary, perquisites, allowances and commission as approved by the Board of Directors of the Company and the Nomination & Remuneration Committee and as set out in the Explanatory Statement annexed hereto.

**RESOLVED FURTHER THAT** the Board of Directors and the Nomination & Remuneration Committee be and are hereby severally authorized to alter and vary such terms of reappointment and remuneration so as to not exceed the limits specified in Schedule V to the Companies Act, 2013, as may be agreed to by the Board of Directors and Mr. Pranav S Shah.

**11. Adopt change in Object Clause :**

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

**RESOLVED THAT** pursuant to section 13 of the Companies Act, 2013 and other applicable provisions of the Act, if any, the Objects Clause III A (Main Objects of the Company) of the Memorandum of Association of the Company be and is hereby altered by inserting the following Sub Clause - 3 after the existing Sub Clause - 2, and renumbered accordingly:

- a. To carry on the business of dealers, distributors, stockiest, agents, purchasers, sellers, importers, exporters, traders of all kinds and description of items, articles, merchandise, products including but not limited to all kinds and descriptions of hosiery goods, readymade garments, wearing apparels, knitwear, cloths, blankets, bed sheets, track suits, T-shirts, shawls, mufflers, socks, undergarments etc. made out of all kind of yarns, including fancy yarns, fibers whether synthetic, artificial or natural, cotton, wool, worsted, shoddy, silk, nylon, polyester, acrylic, polypropylene, polyposic, blended materials, or any other synthetic fibers, yarns or fibrous materials, textile substances, allied products and substitutes, mohair, and fabrics whether fabrics felted, netted and looped and other kinds of blends; b. to carry on the business of purchasers, sellers, importers, exporters, traders of all shapes, sizes, varieties, colours, capacities,

modalities, specifications, descriptions & applications of systems, novelties, substitutes, households, kitchenware, sanitaryware, bathroom wares, storage boxes, packaging articles, toys, ropes, gift articles, building materials, cutlery, bottle, caps and seals, jars, hangers, shopping baskets, garden wares, furniture, baggage, tapes, ropes, cords, etc. made out of all kind of plastics, plastic scrap, HDPE PVC, LDPE, LLDPE, polymers, co-polymers, monomers, elastomers, resins, polysters and other allied materials with or without combinations of other ferrous or non-ferrous materials; **c.** to carry on the business of dealers, distributors, stockiest, agents, purchasers, sellers, importers, exporters, traders of all kinds and description of items, articles, merchandise, products including but not limited to all kind of cooking wares, kitchenware, domestic equipment, appliances, furniture, utensils, instruments, gadgets, devices and stores, containers, cans, boxes, drums, bottle tops, crown corks, packages, packaging materials, bags, pressed metal wares, cutlery, table wares made out stainless steel, tin, copper, alloys, compound or materials, timber, wood or plywood; **d.** to act as an Import and export house and to perform all the functions and undertake all activities connected therewith including obtaining and dealing in licenses, quotas, certificates and other rights; **e.** to assist any company, firm, association, society in transfer of any technology whether from India or abroad and to render services pertaining to foreign collaboration, project formulation and to act as representative / agents of any domestic or foreign company for the purpose of such technology transfer; **f.** to render consultancy, advisory and liaisoning services in respect of matters related to objects mentioned in sub clauses (a) to (c) above to any company, corporation, body corporate, industry, firm, association, body of individuals, institution, concern, government, public or local authority, trust, research and development centers or any other person.

**RESOLVED FURTHER THAT** for the purpose of giving effect to this resolution, the Board of Directors of the Company be and is authorized, on behalf of the Company, to do acts, deeds, matters and things as deems necessary, proper or desirable and to sign and execute all necessary documents, applications and returns, e-forms for the purpose of giving effect to the aforesaid resolution.

**On behalf of the Board of Director  
For Sacheta Metals Limited**

**Place : Mumbai**

**Date:- July 12, 2019**

**Satish K. Shah  
Managing Director**

### **NOTES**

1. The relative Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 ("Act") setting out material facts concerning the business under Item Nos. 4 to 11 of the Notice, are annexed hereto. The relevant details, pursuant to Regulations 26(4) and 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") and Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India, in respect of Directors seeking appointment/re-appointment at this Annual General Meeting ("AGM") are also annexed.
2. A member entitled to attend and vote is entitled to appoint a Proxy instead and the Proxy need not be a member of the Company. A person can act as a proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than ten percent of the total share capital of the company carrying voting rights. A member holding more than ten percent of the total share capital of the company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy or any other person or shareholder.
3. Proxies, in order to be effective, should be duly stamped, completed, signed and deposited at the Registered Office of the Company not less than 48 hours before the meeting. A Proxy form is sent herewith. Proxies submitted on behalf of the companies, societies etc., must be supported by an appropriate resolution/authority, as applicable.
4. Members are requested to bring their copies of the Annual Report to the meeting. Members, Proxies and Authorized Representatives are requested to bring the duly completed Attendance Slip enclosed herewith to attend the AGM.
5. In case of joint holder attending the meeting, only such joint holder who is higher in the order of names will be entitled to vote.
6. Members seeking any information with regards to the Accounts to be explained in the Meeting are requested to inform the Company at least 7 days in advance of the Annual General Meeting.
7. The members, holding shares in physical form, are requested to intimate any change in their addresses or bank details to the Company or its Registrar and Transfer Agent (RTA) viz. Purva Sharegistry India Pvt. Ltd., Unit: Sacheta Metals Limited, Gala No. 9, Shiv Shakti Industrial Estate, Sitaram Mill Compound, J. R. Boricha Marg, Mumbai - 400011. Those holding shares in dematerialized form may intimate any change in their addresses or bank details / mandates to their Depository Participants (DP) immediately. Members holding shares in dematerialized form may note that bank details registered against their respective depository accounts will be used by the Company for payment of dividend. The Company or its RTA cannot act on any request directly received from any member holding shares in dematerialized form for any change in such details. Such changes are to be advised only to the DP of the members.
8. Members holding shares in physical form, in identical order of names, in more than one folio are requested to send to Purva

- Sharegistry India Pvt Ltd, the details of such folios together with the share certificates for consolidating their holdings in one folio. A consolidated share certificate will be issued to such Members after making requisite changes.
- 9 The Company has fixed Saturday, September 21, 2019 as the 'Record Date' for determining entitlement of Members to dividend for the financial year ended March 31, 2019.
  - 10 As per Regulation 40 of SEBI Listing Regulations, as amended, securities of listed companies can be transferred only in dematerialized form with effect from April 1, 2019, except in case of request received for transmission or transposition of securities. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Members can contact the Company's Registrars and Transfer Agents, Purva Sharegistry India Pvt Ltd. for assistance in this regard.
  - 11 To support the 'Green Initiative', Members who have not yet registered their email addresses are requested to register the same with their Depository Participants ("DPs") in case the shares are held by them in electronic form and with Purva Sharegistry India Pvt Ltd in case the shares are held by them in physical form.
  - 12 As per the provisions of Section 72 of the Act, the facility for making nomination is available for the Members in respect of the shares held by them. Members who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13. The said form can be downloaded from the Company's website [www.sacheta.com/form-sh-13](http://www.sacheta.com/form-sh-13). Members are requested to submit the said form to their DP in case the shares are held in electronic form and to Purva Sharegistry India Pvt Ltd in case the shares are held in physical form.
  - 13 The Register of Members and Share Transfer Books of the Company will remain closed from Saturday, the 21st September, 2019 to Saturday, the 28th September, 2019 (both days inclusive) in connection with the Annual General Meeting and for the purpose of payment of Dividend, if declared at the Meeting.
  - 14 Members are requested to note that, dividends if not encashed for a consecutive period of 7 years from the date of transfer to Unpaid Dividend Account of the Company, are liable to be transferred to the Investor Education and Protection Fund ("IEPF"). The shares in respect of such unclaimed dividends are also liable to be transferred to the demat account of the IEPF Authority. In view of this, Members/Claimants are requested to claim their dividends from the Company, within the stipulated timeline. The Members, whose unclaimed dividends/shares have been transferred to IEPF, may claim the same by making an application to the IEPF Authority, in Form No. IEPF-5 available on [www.iepf.gov.in](http://www.iepf.gov.in). The Members/Claimants can file only one consolidated claim in a financial year as per the IEPF Rules.
  15. If the final dividend, as recommended by the Board of Directors, is approved at the AGM, payment of such dividend will be deposited in a scheduled bank in a sepearte account with in 5 days from the date of declaration of such dividend.
  16. Documents referred to in the Notice and the Explanatory Statement attached hereto are available for inspection by the shareholders at the Registered Office of the Company during business hours on any working day up to and including the date of the Annual General Meeting of the Company.
  17. Details in respect of the Directors seeking appointment/reappointment at the Annual General Meeting, forms integral part of the notice. The Directors have furnished the requisite declarations for their appointment/re-appointment.
  18. Electronic copy of the Annual Report for 2018-19 is being sent to all the members whose email IDs are registered with the Company/ Depository Participants(s) for communication purposes unless any member has requested for a physical copy of the same. For members who have not registered their email address, physical copies of the Annual Report for 2018-19 is being sent in the permitted mode. Members may note that The Notice and Annual Report 2018-19 will also be available on the Company's website [www.sacheta.com](http://www.sacheta.com).
  19. Route map showing directions to reach the venue of the 29th AGM is annexed
  20. Voting through electronic means.
    - i. In compliance with the provisions of Section 108 of the Act, read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended from time to time, and Regulation 44 of the SEBI Listing Regulations, the Members are provided with the facility to cast their vote electronically, through the e-voting services provided by NSDL, on all the resolutions set forth in this Notice. The instructions for e-voting are given herein below.
    - ii. Mr. Umesh Vyas, Practicing Company Secretary - (Membership No. A32603) has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
    - iii. The facility for voting, either through electronic voting system or poll paper, shall also be made available at the AGM and the Members attending the AGM, who have not already cast their vote by remote e-voting, may exercise their right to vote at the AGM.
    - iv. 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.
    - v. A Member can vote either by remote e-voting or at the AGM. In case a Member votes by both the modes then the votes cast through remote e-voting shall prevail and the votes cast at the AGM shall be considered invalid.
    - vi. **The details of the process and manner of remote e-voting are explained herein below:**

1. Use User ID and Password for e-voting sent separately to the shareholders.
2. Open the internet browser and type the URL : <https://www.evoting.nsdl.com>.
3. Click on Shareholder-Login.
4. If you are already registered with NSDL for e-voting, then you can use your existing User ID and Password for Login.
5. If you are logging for the first time, please enter the user ID and Password sent to you.
6. If you are logging in for the first time, Password Change Menu appears. Change the Password of your choice with minimum 8 digits / characters or a combination thereof. Please note the new Password for all the future e-voting cycles offered on NSDL e-voting Platform. It is strongly recommended not to share your Password with any other person and take utmost care to keep your Password confidential.
7. Home page of "e-voting" opens. Click on e-voting > Active Voting Cycles.
8. Select EVEN (E-Voting Event Number) of Sacheta Metals Limited. Once you enter the number, the "Cast Vote" Page will open. Now you are ready for e-voting.
9. Cast your vote by selecting appropriate option and click "Submit" and also click "Confirm" when prompted. Kindly note that vote once cast cannot be modified,
10. Institutional members (i.e. members other than individuals, HUF, NRIs, etc.) are required to send scanned copy (PDF/JPG format) of the relevant Board resolution / authority letter, etc. together with the attested specimen signature(s) of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through email at [umeshvyaassociates@gmail.com](mailto:umeshvyaassociates@gmail.com) or [sacheta@sacheta.com](mailto:sacheta@sacheta.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).
11. Once the vote on a resolution is cast by the shareholder, he/she shall not be allowed to change it subsequently.
12. In case of any queries you may refer the Frequently Asked Questions (FAQs) for members and e-voting user manual for members available at the "Downloads" section of <https://www.evoting.nsdl.com> or contact NSDL by email at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).

**General Instructions**

- i. The e-voting period commences on 25th September, 2019 (10:00 a.m. IST) and ends on 27th September, 2019 (5:00 p.m. IST). During these period shareholders of the Company holding shares either in physical form or in dematerialized form, as on the cut-off date of 21st September, 2019, may cast their vote electronically. The e-voting module shall also be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.
- ii. The voting rights of Members shall be in proportion to their shares in the paid-up equity share capital of the Company as on the cut-off date. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of voting, either through remote e-voting or voting at the AGM through electronic voting system or poll paper.
- ii. Any person, who acquires shares of the Company and becomes a Member of the Company after dispatch of the Notice and holding shares as of the cut-off date, may obtain the login ID and password by sending a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in). However, if he/she is already registered with NSDL for remote e-voting then he/she can use his/ her existing User ID and password for casting the vote.
- iii. The Scrutinizer shall, within a period not exceeding three (3) working days from the conclusion of the e-voting period, unlock the votes in the presence of at least two (2) witnesses, not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favor of or against, if any; forthwith to the Chairman of the Company.
- iv. The Results shall be declared on or after the AGM of the Company. The Results declared along with the Scrutinizer's Report shall be placed on the Company's website [www.sacheta.com](http://www.sacheta.com) and on the website of NSDL within two (2) days of passing of the resolutions at the AGM of the Company and communicated to the Bombay Stock Exchange Limited.

**On behalf of the Board of Director  
For Sacheta Metals Limited**

**Place : Mumbai  
Date:- July 12, 2019**

**Satish K. Shah  
Managing Director**



**EXPLANATORY STATEMENT**

As required under Section 102 of the Companies Act, 2013 ("Act"), the following explanatory statement sets out all material facts relating to business mentioned under Item Nos. 4 to 11 of the accompanying Notice:

**Item No. 4:**

Based on recommendation of Nomination and Remuneration Committee, the Board of Directors appointed Ms.Zarna Dhaval Shah (DIN 08351755) as Additional Directors of the Company and also as Independent Directors, not liable to retire by rotation, for a term of 5 years i.e. from February 8, 2019 to February 7, 2024, subject to approval of the Members.

Pursuant to the provisions of Section 161(1) of the Act, this Director shall hold office up to the date of this Annual General Meeting ("AGM") is eligible to be appointed as Director. The Company has, in terms of Section 160(1) of the Act, received in writing a notice from Member(s), proposing her candidature for the office of Director.

The Company has received declarations from Ms. Zarna Dhaval Shah to the effect that she meets the criteria of independence as provided in Section 149(6) of the Act read with the Rules framed thereunder and Regulation 16(1)(b) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"). In terms of Regulation 25(8) of SEBI Listing Regulations, she has confirmed that she is not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact her ability to discharge her duties. In the opinion of the Board, Ms. Zarna Dhaval Shah fulfil the conditions specified in the Act, Rules and SEBI Listing Regulations for appointment as Independent Director and she is independent of the management of the Company. The terms and conditions of her appointment shall be open for inspection by the Members at the Registered Office of the Company during the normal business hours on any working day (except Saturday) and will also be kept open at the venue of the AGM till the conclusion of the AGM.

A brief profile of Ms.Zarna Dhaval Shah, Independent Directors to be appointed is given in the annexure to the notice

In compliance with the provisions of Section 149, read with Schedule IV of the Act and Regulation 17 of SEBI Listing Regulations and other applicable Regulations, the appointments of Ms. Zarna Dhaval Shah as Independent Director is now being placed before the Members for their approval.

The Board recommends the Resolutions at Item Nos. 4 of this Notice for approval of the Members.

Ms. Zarna Dhaval Shah her relatives, are concerned or interested, in the Resolutions relating to their own appointment. None of the other Directors and Key Managerial Personnel of the Company and their respective relatives are, in any way, concerned or interested, in the Resolutions set out at Item Nos. 4 of the Notice.

**Item No.5:**

Based on recommendation of Nomination and Remuneration Committee, the Board of Directors proposes the re-appointment of Mr. Jagdish Gandhi (DIN 02384640) as Independent Director, for a second term of five years from October 1, 2019 to September 30, 2024, not liable to retire by rotation. Mr. Jagdish Gandhi was appointed as Independent Director at the twenty fourth Annual General Meeting ("AGM") of the Company and holds office up to September 30, 2019. The Company has, in terms of Section 160(1) of the Act received in writing a notice from a Member, proposing his candidature for the office of Director.

The Board, based on the performance evaluation and recommendation of Nomination and Remuneration Committee, considers that given his background, experience and contribution, the continued association of Jagdish Gandhi would be beneficial to the Company and it is desirable to continue to avail his services as Independent Director.

The Company has received a declaration from him to the effect that he meets the criteria of independence as provided in Section 149(6) of the Act and Rules framed thereunder and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"). In terms of Regulation 25(8) of SEBI Listing Regulations, he has confirmed that he is not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact his ability to discharge his duties.

Mr.Jagdish Gaandhi is Commerce Graduate and having 34 years experience in metal industry.

In the opinion of the Board, he fulfills the conditions specified in the Act and SEBI Listing Regulations for appointment as an Independent Director and is independent of the management of the Company. The terms and conditions of his appointment shall be open for inspection by the Members at the Registered Office of the Company during the normal business hours on any working day (except Saturday) and will also be kept open at the venue of the AGM till the conclusion of the AGM.

In compliance with the provisions of Section 149 read with Schedule IV to the Act and Regulation 17 of SEBI Listing Regulations and other applicable Regulations, the re-appointment of Mr.Jagdish Gandhi as Independent Director is now being placed before the Members for their approval by way of Special Resolution.

Except Mr. Jagdish Gandhi, none of the other Directors, Key Managerial personnel or their relatives are interested or concerned in this Resolution.

The Board recommends the Special Resolution at Item No. 5 of this Notice for approval of the Members.

**Item No.6:**

Based on recommendation of Nomination and Remuneration Committee, the Board of Directors proposes the re-appointment of

Mr.Dilipkumar Sanghavi (DIN 06954684) as Independent Director, for a second term of five years from October 1, 2019 to September 30, 2024, not liable to retire by rotation. Mr.Dilipkumar Sanghavi was appointed as Independent Director at the twenty fourth Annual General Meeting ("AGM") of the Company and holds office up to September 30, 2019. The Company has, in terms of Section 160(1) of the Act received in writing a notice from a Member, proposing his candidature for the office of Director.

The Board, based on the performance evaluation and recommendation of Nomination and Remuneration Committee, considers that given his background, experience and contribution, the continued association of Mr.Dilipkumar Sanghavi would be beneficial to the Company and it is desirable to continue to avail his services as Independent Director.

The Company has received a declaration from him to the effect that he meets the criteria of independence as provided in Section 149(6) of the Act and Rules framed thereunder and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"). In terms of Regulation 25(8) of SEBI Listing Regulations, he has confirmed that he is not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact his ability to discharge his duties.

Mr.Dilipkumar Sanghavi has rich experience of 33 years in metal industry.

In the opinion of the Board, he fulfills the conditions specified in the Act and SEBI Listing Regulations for appointment as an Independent Director and is independent of the management of the Company. The terms and conditions of his appointment shall be open for inspection by the Members at the Registered Office of the Company during the normal business hours on any working day (except Saturday) and will also be kept open at the venue of the AGM till the conclusion of the AGM.

In compliance with the provisions of Section 149 read with Schedule IV to the Act and Regulation 17 of SEBI Listing Regulations and other applicable Regulations, the re-appointment of Mr. Dilipkumar Sanghavi as Independent Director is now being placed before the Members for their approval by way of Special Resolution.

Except Mr.Dilip Sanghavi, none of the other Directors, Key Managerial personnel or their relatives are interested or concerned in this Resolution.

The Board recommends the Special Resolution at Item No. 6 of this Notice for approval of the Members.

**Item No.7:**

Based on recommendation of Nomination and Remuneration Committee, the Board of Directors proposes the re-appointment of Mr.Satish Keshavlal Shah as Managing Director of the Company for a further period from 1st October, 2019 to 30th September, 2022 and approval of his remuneration and terms of reappointment.

The Remuneration Committee, at its meeting held on 12th July, 2019, has recommended the reappointment of Mr. Satish Keshavlal Shah as Managing Director of the Company and terms of remuneration payable to him for a further period of from 1st October, 2019 to 30th September, 2022. The Board of Directors, at its meeting held on 12th July, 2019, had approved the same. The Remuneration Committee and the Board of Directors of the Company are of the opinion that he is fit and proper person to hold the said office and his reappointment will be in the interest of the Company

The material terms of remuneration of Mr. Satish Keshavlal Shah effective from 1st October, 2019 to 30th September, 2022 as approved by both Remuneration Committee and Board of Directors in their respective meetings held on 12th July, 2019 are as under:

**Remuneration:****(a) Basic Salary :**

**Rs. 2,00,000 (Rupees Two lacs only) per month with such increase as may be decided by the Board of Directors (which includes any Committee thereof) from time to time, but subject to maximum salary of Rs. 10,00,000 (Rupees Ten lacs only) per month.**

**(b) Perquisites and Allowances:**

**In addition to salary, the following perquisites / allowances shall be allowed to the Managing Director:**

**CATEGORY - A****(i) Housing :**

The Company shall provide furnished accommodation to the Managing Director. If the Managing Director having his own accommodation, the Company shall pay house rent allowance at the rate of 40% of the Basic Salary.

The Company shall provide equipment and appliances, furniture, fixtures and furnishing at the residence of the Managing Director at the entire cost of the Company. The Company shall reimburse the expenses of maintenance, electricity, servants etc.

**(ii) Other Allowances: The Company shall pay other allowances as per the Company's policy.****(iii) Personal Accident Insurance: The Company shall pay / reimburse Personal Accident Insurance Premium upto Rs 25,000 for the Managing Director.****(iv) Club Fees: The Company shall reimburse annual fees for a maximum of 2 clubs. The aggregate value of perquisites for (i) to (iv) above for each year shall be computed as per the provisions of Income-tax Act, 1961. In case of benefits**

for which no specific rule of valuation is provided under the Income-tax Act, the perquisites value of such benefit shall be taken at actual cost.

- (v) Medical Reimbursement: Medical Expenses actually incurred for self and family shall be reimbursed by the Company.

#### **CATEGORY - B**

- (i) The Company shall contribute towards Provident Fund/ Superannuation Fund/ Annuity Fund provided that such contributions either singly or put together shall not exceed the tax-free limit prescribed under the Income-tax Act.
- (ii) The Company shall pay Gratuity as per rules of the Company.
- (iii) Leave on full pay and allowances, as per rules of the Company, but not more than one month's leave for every eleven months of service. However, the leave accumulated but not availed of will be allowed to be encashed at the end of the term as per rules of the Company.

The above shall not be included in the computation of ceiling on remuneration or perquisites aforesaid.

#### **CATEGORY - C**

- (i) The Company shall provide car(s) with driver at the entire cost of the Company for use on Company's business and the same will not be considered as perquisites.
- (ii) The Company shall provide telephone and other communication facilities at the residence of the Managing Director at the entire cost of the Company.

#### **CATEGORY - D**

The Managing Director shall be entitled to Performance Linked Variable Pay/Special Allowance/ Role Award/Bonus/Commission on profits etc. or in any other form as the Nomination and Remuneration Committee and the Board of Directors may determine from time to time within the overall limit of 5% of net profit and the overall limits of remuneration prescribed under Sections 197 and other applicable provisions of the Companies Act, 2013.

#### **Overall and Minimum Remuneration Limit:**

The overall limit of remuneration payable to Directors including Managing Directors, Whole time Directors and Managers in a financial year is 11% of the net profit of the company computed in accordance with Section 198 of the Companies Act, 2013. The aforesaid remuneration is subject to the limit of 5% of the annual net profit of the Company and subject further to the overall limit of 10% of the annual net profit of the Company computed in accordance with Section 198 of the Companies Act, 2013.

Notwithstanding anything to the contrary herein contained, where in any financial year during the currency of tenure of the Managing Director, the Company has no profits or its profits are inadequate, the Company will pay remuneration for a period not exceeding three years by way of salary, commission and perquisites as provided above or the maximum remuneration payable as per the limits set out in Section II of Part II of Schedule V of the Companies Act, 2013.

The abovementioned remuneration may be altered, amended, varied, enhanced or modified from time to time by the Board of Directors of Company or the Nomination and Remuneration Committee as it may, in its discretion, deem fit, within the maximum amount payable to Managing and Whole time Directors in accordance with the provisions of the Companies Act, 2013, including those of Schedule V or any amendments thereto made hereafter in this regard within the overall limits approved by the Company in General Meeting.

As per the provision of Sections 196, 197, Schedule V and all other applicable provisions of the Companies Act, 2013 (the "Act") and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modifications or re-enactments thereof for the time being in force), the re-appointment of and payment of remuneration to Managing Director requires the approval of the Shareholders in General Meeting and hence necessary Special Resolution has been proposed for your approval. Except Mr.Satish Shah, Mrs.Chetnaben S. Shah, Mr.Ankit S. Shah and Mr.Pranav S. Shah, none of the other Directors, Key Managerial personnel or their relatives are interested or concerned in this Resolution.

The Board recommends the Special Resolution at Item No. 7 of this Notice for approval of the Members.

#### **Item No.8:**

Based on recommendation of Nomination and Remuneration Committee, the Board of Directors proposes the re-appointment of Mrs.Chetnaben S. Shah as Jt.Managing Director of the Company for a further period from 1st October, 2019 to 30th September, 2022 and approval of his remuneration and terms of reappointment

The Remuneration Committee, at its meeting held on 12th July, 2019, had recommended the reappointment of Mrs. Chetanaben Satishbhai Shah as Joint Managing Director of the Company and terms of remuneration payable to her for a further period from 1st October, 2019 to 30th September, 2022. The Board of Directors, at its meeting held on 12th July, 2019, had approved the same. The Remuneration Committee and the Board of Directors of the Company are of the opinion that she is fit and proper person to hold the said office and her reappointment will be in the interest of the Company

The material terms of remuneration of Mrs.Chetanaben Satishbhai Shah effective from 1st October, 2019 to 30th September, 2022 as approved by both Remuneration Committee and Board of Directors in their respective meetings held on 12th July, 2019 are as under:

**Remuneration:****(a) Basic Salary :**

Rs.1,00,000 (Rupees One lac only) per month with such increase as may be decided by the Board of Directors (which includes any Committee thereof) from time to time, but subject to maximum salary of Rs. 4,00,000 (Rupees Four lacs only) per month.

**(b) Perquisites and Allowances:**

In addition to salary, the following perquisites / allowances shall be allowed to the Jt. Managing Director:

**CATEGORY - A****(i) Housing :**

The Company shall provide furnished accommodation to the Joint Managing Director. If the Jt.Managing Director having her own accommodation, the Company shall pay house rent allowance at the rate of 40% of the Basic Salary. The Company shall provide equipment and appliances, furniture, fixtures and furnishing at the residence of the Jt.Managing Director at the entire cost of the Company. The Company shall reimburse the expenses of maintenance, electricity, servants etc.

**(ii) Other Allowances:** The Company shall pay other allowances as per the Company's policy.**(iii) Personal Accident Insurance:** The Company shall pay / reimburse Personal Accident Insurance Premium upto `Rs 15,000 for the Jt.Managing Director.**(iv) Club Fees:** The Company shall reimburse annual fees for a maximum of 2 clubs. The aggregate value of perquisites for (i) to (iv) above for each year shall be computed as per the provisions of Income-tax Act, 1961. In case of benefits for which no specific rule of valuation is provided under the Income-tax Act, the perquisites value of such benefit shall be taken at actual cost.**(v) Medical Reimbursement:** Medical Expenses actually incurred for self and family shall be reimbursed by the Company.**CATEGORY - B****(i)** The Company shall contribute towards Provident Fund/ Superannuation Fund/ Annuity Fund provided that such contributions either singly or put together shall not exceed the tax-free limit prescribed under the Income-tax Act.**(ii)** The Company shall pay Gratuity as per rules of the Company.**(iii)** Leave on full pay and allowances, as per rules of the Company, but not more than one month's leave for every eleven months of service. However, the leave accumulated but not availed of will be allowed to be encashed at the end of the term as per rules of the Company.

The above shall not be included in the computation of ceiling on remuneration or perquisites aforesaid.

**CATEGORY - C****(i)** The Company shall provide car(s) with driver at the entire cost of the Company for use on Company's business and the same will not be considered as perquisites.**(ii)** The Company shall provide telephone and other communication facilities at the residence of the Jt.Managing Director at the entire cost of the Company.**CATEGORY - D**

The Joint Managing Director shall be entitled to Performance Linked Variable Pay/Special Allowance/ Role Award/Bonus/Commission on profits etc. or in any other form as the Nomination and Remuneration Committee and the Board of Directors may determine from time to time within the overall limit of 5% of net profit and the over all limits of remuneration prescribed under Sections 197 and other applicable provisions of the Companies Act, 2013.

**Overall and Minimum Remuneration Limit:**

The overall limit of remuneration payable to Directors including Managing Directors, Whole time Directors and Managers in a financial year is 11% of the net profit of the company computed in accordance with Section 198 of the Companies Act, 2013. The aforesaid remuneration is subject to the limit of 5% of the annual net profit of the Company and subject further to the overall limit of 10% of the annual net profit of the Company computed in accordance with Section 198 of the Companies Act, 2013.

Notwithstanding anything to the contrary herein contained, where in any financial year during the currency of tenure of the Jt.Managing Director, the Company has no profits or its profits are inadequate, the Company will pay remuneration for a period not exceeding three years by way of salary, commission and perquisites as provided above or the maximum remuneration payable as per the limits set out in Section II of Part II of Schedule V of the Companies Act, 2013.

The abovementioned remuneration may be altered, amended, varied, enhanced or modified from time to time by the Board of Directors of Company or the Nomination and Remuneration Committee as it may, in its discretion, deem fit, within the maximum amount payable to Managing and Whole time Directors in accordance with the provisions of the Companies Act, 2013, including those of Schedule V or any amendments thereto made hereafter in this regard within the overall limits approved by the Company in

General Meeting.

Except Mr.Satish Shah, Mrs.Chetnaben S. Shah, Mr.Ankit S. Shah and Mr.Pranav S. Shah, none of the other Directors, Key Managerial personnel or their relatives are interested or concerned in this Resolution

The resolution at Item No.8 is put before the members as a Special Resolution.

**Item No.9:**

Based on recommendation of Nomination and Remuneration Committee, the Board of Directors proposes the re-appointment of Mr.Ankit S. Shah as Executive Director of the Company for a further period from 1st October, 2019 to 30th September, 2022 and approval of his remuneration and terms of reappointment

The Remuneration Committee, at its meeting held on 31st July, 2014, had recommended the reappointment of Mr. Ankit Satishbhai Shah as Executive Director of the Company and terms of remuneration payable to him for a further period from 1st October, 2019 to 30th September, 2022. The Board of Directors, at its meeting held on 12th July, 2019, had approved the same. The Remuneration Committee and the Board of Directors of the Company are of the opinion that he is fit and proper person to hold the said office and his reappointment will be in the interest of the Company

The material terms of remuneration of Mr. Ankit Satishbhai Shah effective from 1st October, 2019 to 30th September, 2022 as approved by both Remuneration Committee and Board of Directors in their respective meetings held on 12th July, 2019 are as under:

**Remuneration:**

**(a) Basic Salary :**

Rs.1,75,000 (Rupees One lac seventy five thousand only) per month with such increase as may be decided by the Board of Directors (which includes any Committee thereof) from time to time, but subject to maximum salary of Rs.8,00,000 (Rupees Eight lacs only) per month.

**(b) Perquisites and Allowances:**

In addition to salary, the following perquisites / allowances shall be allowed to the Managing Director:

**CATEGORY - A**

**(i) Housing :**

The Company shall provide furnished accommodation to the Executive Director. If the Executive Director having his own accommodation, the Company shall pay house rent allowance at the rate of 40% of the Basic Salary.

The Company shall provide equipment and appliances, furniture, fixtures and furnishing at the residence of the Executive Director at the entire cost of the Company. The Company shall reimburse the expenses of maintenance, electricity, servants etc.

(ii) Other Allowances: The Company shall pay other allowances as per the Company's policy.

(iii) Personal Accident Insurance: The Company shall pay / reimburse Personal Accident Insurance Premium upto `Rs.15,000 for the Executive Director.

(iv) Club Fees: The Company shall reimburse annual fees for one club. The aggregate value of perquisites for (i) to (iv) above for each year shall be computed as per the provisions of Income-tax Act, 1961. In case of benefits for which no specific rule of valuation is provided under the Income-tax Act, the perquisites value of such benefit shall be taken at actual cost.

(v) Medical Reimbursement: Medical Expenses actually incurred for self and family shall be reimbursed by the Company.

**CATEGORY - B**

(i) The Company shall contribute towards Provident Fund/ Superannuation Fund/ Annuity Fund provided that such contributions either singly or put together shall not exceed the tax-free limit prescribed under the Income-tax Act.

(ii) The Company shall pay Gratuity as per rules of the Company.

(iii) Leave on full pay and allowances, as per rules of the Company, but not more than one month's leave for every eleven months of service. However, the leave accumulated but not availed of will be allowed to be encashed at the end of the term as per rules of the Company.

The above shall not be included in the computation of ceiling on remuneration or perquisites aforesaid.

**CATEGORY - C**

(i) The Company shall provide car(s) with driver at the entire cost of the Company for use on Company's business and the same will not be considered as perquisites.

(ii) The Company shall provide telephone and other communication facilities at the residence of the Executive Director at the entire cost of the Company.

**CATEGORY - D**

The Executive Director shall be entitled to Performance Linked Variable Pay/Special Allowance/ Role Award/Bonus/Commission on profits etc. or in any other form as the Nomination and Remuneration Committee and the Board of Directors may determine from time to time within the overall limit of 5% of net profit and the overall limits of remuneration prescribed under Sections 197 and other applicable provisions of the Companies Act, 2013.

**Overall and Minimum Remuneration Limit:**

The overall limit of remuneration payable to Directors including Managing Directors, Whole time Directors and Managers in a financial year is 11% of the net profit of the company computed in accordance with Section 198 of the Companies Act, 2013. The aforesaid remuneration is subject to the limit of 5% of the annual net profit of the Company and subject further to the overall limit of 10% of the annual net profit of the Company computed in accordance with Section 198 of the Companies Act, 2013.

Notwithstanding anything to the contrary herein contained, where in any financial year during the currency of tenure of the Executive Director, the Company has no profits or its profits are inadequate, the Company will pay remuneration for a period not exceeding three years by way of salary, commission and perquisites as provided above or the maximum remuneration payable as per the limits set out in Section II of Part II of Schedule V of the Companies Act, 2013.

The abovementioned remuneration may be altered, amended, varied, enhanced or modified from time to time by the Board of Directors of Company or the Nomination and Remuneration Committee as it may, in its discretion, deem fit, within the maximum amount payable to Managing and Whole time Directors in accordance with the provisions of the Companies Act, 2013, including those of Schedule V or any amendments thereto made hereafter in this regard within the overall limits approved by the Company in General Meeting.

Except Mr.Satish Shah, Mrs.Chetnaben S. Shah, Mr.Ankit S. Shah and Mr.Pranav S. Shah, none of the other Directors, Key Managerial personnel or their relatives are interested or concerned in this Resolution

The resolution at Item No. 9 is put before the members as a Special Resolution.

**Item No.10**

Based on recommendation of Nomination and Remuneration Committee, the Board of Directors proposes the re-appointment of Mr.Pranav S. Shah as Executive Director of the Company for a further period from 1st October, 2019 to 30th September, 2022 and approval of his remuneration and terms of reappointment

The Remuneration Committee, at its meeting held on 12th July, 2019, had recommended the re-appointment of Mr. Pranav Satishbhai Shah as Executive Director of the Company and terms of remuneration payable to him for a further period from 1st October, 2019 to 30th September, 2022. The Board of Directors, at its meeting held on 12th July, 2019, had approved the same. The Remuneration Committee and the Board of Directors of the Company are of the opinion that he is fit and proper person to hold the said office and his reappointment will be in the interest of the Company.

The material terms of remuneration of Mr. Pranav Satishbhai Shah effective from 1st October, 2019 to 30th September, 2022 as approved by both Remuneration Committee and Board of Directors in their respective meetings held on 12th July, 2019 are as under:

**Remuneration:****(a) Basic Salary :**

Rs.1,25,000 (Rupees One lac twenty five thousand only) per month with such increase as may be decided by the Board of Directors (which includes any Committee thereof) from time to time, but subject to maximum salary of Rs.6,00,000 (Rupees Six lacs only) per month.

**(b) Perquisites and Allowances:**

In addition to salary, the following perquisites / allowances shall be allowed to the Managing Director:

**CATEGORY - A****(i) Housing :**

The Company shall provide furnished accommodation to the Executive Director. If the Executive Director having his own accommodation, the Company shall pay house rent allowance at the rate of 40% of the Basic Salary.

The Company shall provide equipment and appliances, furniture, fixtures and furnishing at the residence of the Executive Director at the entire cost of the Company. The Company shall reimburse the expenses of maintenance, electricity, servants etc.

**(ii) Other Allowances: The Company shall pay other allowances as per the Company's policy.****(iii) Personal Accident Insurance: The Company shall pay / reimburse Personal Accident Insurance Premium upto Rs.15,000 for the Managing Director.****(iv) Club Fees: The Company shall reimburse annual fees for one club. The aggregate value of perquisites for (i) to (iv) above for each year shall be computed as per the provisions of Income-tax Act, 1961. In case of benefits for which no specific rule of valuation is provided under the Income-tax Act, the perquisites value of such benefit shall be taken at actual cost.**

- (v) Medical Reimbursement: Medical Expenses actually incurred for self and family shall be reimbursed by the Company.

**CATEGORY - B**

- (i) The Company shall contribute towards Provident Fund/ Superannuation Fund/ Annuity Fund provided that such contributions either singly or put together shall not exceed the tax-free limit prescribed under the Income-tax Act.
- (ii) The Company shall pay Gratuity as per rules of the Company.
- (iii) Leave on full pay and allowances, as per rules of the Company, but not more than one month's leave for every eleven months of service. However, the leave accumulated but not availed of will be allowed to be encashed at the end of the term as per rules of the Company.

The above shall not be included in the computation of ceiling on remuneration or perquisites aforesaid.

**CATEGORY - C**

- (i) The Company shall provide car(s) with driver at the entire cost of the Company for use on Company's business and the same will not be considered as perquisites.
- (ii) The Company shall provide telephone and other communication facilities at the residence of the Executive Director at the entire cost of the Company.

**CATEGORY - D**

The Executive Director shall be entitled to Performance Linked Variable Pay/Special Allowance/ Role Award/Bonus/Commission on profits etc. or in any other form as the Nomination and Remuneration Committee and the Board of Directors may determine from time to time within the overall limit of 5% of net profit and the overall limits of remuneration prescribed under Sections 197 and other applicable provisions of the Companies Act, 2013.

**Overall and Minimum Remuneration Limit:**

The overall limit of remuneration payable to Directors including Managing Directors, Whole time Directors and Managers in a financial year is 11% of the net profit of the company computed in accordance with Section 198 of the Companies Act, 2013. The aforesaid remuneration is subject to the limit of 5% of the annual net profit of the Company and subject further to the overall limit of 10% of the annual net profit of the Company computed in accordance with Section 198 of the Companies Act, 2013.

Notwithstanding anything to the contrary herein contained, where in any financial year during the currency of tenure of the Executive Director, the Company has no profits or its profits are inadequate, the Company will pay remuneration for a period not exceeding three years by way of salary, commission and perquisites as provided above or the maximum remuneration payable as per the limits set out in Section II of Part II of Schedule V of the Companies Act, 2013.

The abovementioned remuneration may be altered, amended, varied, enhanced or modified from time to time by the Board of Directors of Company or the Nomination and Remuneration Committee as it may, in its discretion, deem fit, within the maximum amount payable to Managing and Whole time Directors in accordance with the provisions of the Companies Act, 2013, including those of Schedule V or any amendments thereto made hereafter in this regard within the overall limits approved by the Company in General Meeting.

Except Mr.Satish Shah, Mrs.Chetnaben S. Shah, Mr.Ankit S. Shah and Mr.Pranav S. Shah, none of the other Directors, Key Managerial personnel or their relatives are interested or concerned in this Resolution

The resolution at Item No.10 is put before the members as Special Resolution.

**Item No.11**

In view of encouraging measures taken by the Government to liberalize the economy and in order to diversify into certain new business ventures, your directors are considering various proposals for diversifying the company's activities into other activities like dealing in Stainless Steel utensils, Copper utensil, domestic use products made from various grade of plastic, and made from Wood; and to act as Import -Export House.

The alteration in the Objects Clause of the memorandum of association as set out in the resolution is to facilitate diversification. This will enable the company to carry on its business economically and efficiently and the proposed activities can be, under the existing circumstances, conveniently and advantageously combined with the present activities of the company. This will also enlarge the area of operations of the company.

Pursuant to section 13 of the Act, the above said proposal requires consent of the members by way of special resolution.

None of the directors or the Key Managerial persons of your company and their relatives are concerned or interested financially or otherwise in this resolution.

The resolution at Item No.11 is put before the members as Special Resolution.

**On behalf of the Board of Director  
For Sacheta Metals Limited**

**Place : Mumbai**

**Date:- July 12, 2019**

**Satish K. Shah  
Managing Director**

The relevant detail as required under Regulation 36(3) of SEBI ( Listing Obligations and Disclosure Requirements ) Regulations, 2015 ("Listing Regulations"), of the person seeking appointment/ re-appointment as Director under item No. 3 and 4 of the Notice are as below.

Name of the Director	Mr.Ankit Satishkumar Shah
Date of Birth	25.06.1984
Date of Appointment	02.09.2004
Expertise in specific functional areas	He is an Executive Director and associated with the Company since the year 2004 and is having experience in metal industry in general and alluminium industry in particular of 12 years.
Qualifications	Graduate Degree in Commerce
List of outside Directorship held in the Public Company	Nil
Chairman/member of the committee of the Board of Directors of the Company*	Nil
Chairman/member of the committee of the Board of Directors of other Companies in which he is a director	Nil
Shareholding in the company	19,90,442 Eq. Shares
Relationships, if any, between directors	Son of the Managing Director
Name of the Director	Ms.Zarna Dhaval Shah
Date of Birth	02.01.1993
Date of Appointment	08.02.2019
Expertise in specific functional areas	General Business Administration
Qualifications	Bachelor of Business Administration
List of outside Directorship held in the Public Company	Nil
Chairman/member of the committee of the Board of Directors of the Company*	Nil
Chairman/member of the committee of the Board of Directors of other Companies in which he is a director	Nil
Shareholding in the company	Nil
Relationships, if any, between directors	Not related to any directors or promoters
Name of the Director	Mr.Jagdish Gandhi
Date of Birth	12.02.1953
Date of Appointment	13.03.2004
Expertise in specific functional areas	34 Years Experience in Metal Industry in the area of overall management.
Qualifications	Graduate Degree in Commerce
List of outside Directorship held in the Public Company	Nil
Chairman/member of the committee of the Board of Directors of the Company*	Nil
Chairman/member of the committee of the Board of Directors of other Companies in which he is a director	Nil
Shareholding in the company	Nil
Relationships, if any, between directors	Not related to any directors or promoters
Name of the Director	Mr.Dilipkumar Sanghavi
Date of Birth	09.03.1951
Date of Appointment	30.09.2014
Expertise in specific functional areas	33 Years Experience in Metal Industry in the area of overall management including production & Marketing.



Qualifications	S.S.C.
List of outside Directorship held in the Public Company	Nil
Chairman/member of the committee of the Board of Directors of the Company*	Nil
Chairman/member of the committee of the Board of Directors of other Companies in which he is a director	Nil
Shareholding in the company	Nil
Relationships, if any, between directors	Not related to any directors or promoters
<b>Name of the Director</b>	Mr.Satish K. Shah
<b>Date of Birth</b>	02.11.1958
<b>Date of Appointment</b>	17.05.1990
<b>Expertise in specific functional areas</b>	He is promoter Director and associated with the Company since its incorporation and is having experience in metal industry in general and Alluminium in particular of last 25 years.
Qualifications	F.Y. B.SC
List of outside Directorship held in the Public Company	Nil
Chairman/member of the committee of the Board of Directors of the Company*	Nil
Chairman/member of the committee of the Board of Directors of other Companies in which he is a director	Nil
Shareholding in the company	40,73,707 Eq. shares
Relationships, if any, between directors	Promoter of the Company
<b>Name of the Director</b>	Mrs.Chetnaben S. Shah
<b>Date of Birth</b>	06.10.1963
<b>Date of Appointment</b>	17.05.1990
<b>Expertise in specific functional areas</b>	She is promoter Director and associated with the Company since its incorporation and is having rich experience in metal industry.
Qualifications	S.S.C.
List of outside Directorship held in the Public Company	Nil
Chairman/member of the committee of the Board of Directors of the Company*	Nil
Chairman/member of the committee of the Board of Directors of other Companies in which he is a director	Nil
Shareholding in the company	32,17,226 Eq. Shares
Relationships, if any, between directors	Promoter of the Company
<b>Name of the Director</b>	Mr.Pranav S. Shah
<b>Date of Birth</b>	12.02.1990
<b>Date of Appointment</b>	30.09.2014
<b>Expertise in specific functional areas</b>	He is promoter Director and associated with the Company since its incorporation and is having experience in metal industry in general and Alluminium in particular of last 9 years.
Qualifications	F.Y. B.Com
List of outside Directorship held in the Public Company	Nil
Chairman/member of the committee of the Board of Directors of the Company*	Nil
Chairman/member of the committee of the Board of Directors of other Companies in which he is a director	Nil
Shareholding in the company	16,29,632 Eq. Shares
Relationships, if any, between directors	Son of the Managing Director

**DIRECTORS' REPORT**

Dear Members,

Your Directors have great pleasures in presenting you the Twenty-Ninth Annual Report of the Company together with the Audited Financial Result for the year ended on March 31, 2019.

**FINANCIAL RESULTS:**

The Operating results of your Company for the period under review are as follows:

(Rs. in Lacs)

Particulars	Current Year ended 31.03.2019	Current Year ended 31.03.2018
Sales / Turnover	9697.12	6900.28
Profit before Interest, Depreciation & Tax	498.42	503.89
Less Interest	66.42	60.13
Profit before Depreciation and Tax	432.00	443.76
Less Depreciation for the year	147.28	165.11
Profit before tax	284.72	278.65
Taxation including deferred tax	77.23	92.78
Exceptional items	0.00	0.00
Net profit for the year after tax	207.49	185.87

**FINANCIAL PERFORMANCE**

Your Company reported a growth of 40.53 % over the Previous Year. During the financial year 2018-19, there has been significant improvement in the performance of the Company. The Company has registered total operating revenue of Rs.9697.12 Lacs for the year ended 31st March, 2019 as compared to Rs.6900.28 Lacs in the Previous Year. The Net Profit for the year stood at Rs.207.49 Lacs for the year ended 31st March,2019 against Rs.185.87 Lacs reported in the Previous Year.

The company continues to harvesting and reinforce its market leadership in its field.

No material changes or commitments have occurred between the end of the Financial Year and the date of this Report which affect the financial statements of the Company in respect of the Financial Year.

Pursuant to the provisions of Section 136 of the Companies Act, 2013, the Audited Financial Statements along with the Directors' Report and Auditors' Report thereon forms part of this Annual Report. The Financial Statement of the Company are also available on the website of the Company and can be accessed at the website : [www.sacheta.com](http://www.sacheta.com)

**DIVIDEND:**

The Board, in its meeting declared dividend of Rs 0.25 per share (2.5%) of face value of Rs 10 each aggregating to Rs. 47.35 Lakhs (Previous year Rs. 47.35 Lakhs) out of the current year's profit for the financial year ended March 31, 2019. The proposal is subject to the approval of shareholders at the ensuing Annual General Meeting.

The Register of Members and Share Transfer Books will remain close from 21.09. 2019 to 28.09.2019 for the purpose of payment of dividend for the financial year ended on March 31, 2019

**STATUTORY DISCLOSURES:**

The Statutory disclosures in accordance with Section 134 read with Rule 8 of Companies (Accounts) Rules, 2014. Section 178, Section 197 read with Rule 5 of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 have been made herein after paragraphs.

As per SEBI Listing Regulations, the Corporate Governance Report with the Auditors' Certificate thereon, and the Management Discussion and Analysis are attached, which forms part of this.

The Company has devised proper systems to ensure compliance with the provisions of all Secretarial Standards issued by the Institute of Company Secretaries of India and that such systems are adequate and operating effectively.

**DEPOSITS FROM PUBLIC:**

Your Company has not accepted any deposit within the meaning of Sections 73 and 74 of the Companies Act, 2013 read with the Companies (Acceptance of Deposits) Rules, 2014 (including any statutory modification(s) or re-enactment(s) for the time being in force) from the public or the members and as such, no amount on account of principal or interest on public deposits was outstanding as on the date of the balance sheet.

**AMOUNTS TRANSFERRED TO GENERAL RESERVES:**

Pursuant to provisions 134(3)(j) of the Companies Act, 2013, the Companies has not proposed to transfer any amount to general reserves account of the Company during the year under review.

**SHARE CAPITAL**

The paid up Equity Share Capital as at March 31, 2019 stood at Rs 18.94 crore. During the year under review, the company has not issued shares with differential voting rights nor has granted any stock options or sweat equity. As on March 31, 2019, none of the Directors of the company hold instruments convertible into equity shares of the Company.

**SUBSIDIARIES & ASSOCIATE COMPANIES:**

The Company does not have any Subsidiary Company or Associate Company as at 31st March, 2019, hence, the statement containing salient features of the financial statements of the subsidiary companies in Form AOC-1 pursuant to Section 129(3) of the Companies Act, 2013 is not applicable to your Company.

**MANAGEMENT DISCUSSION AND ANALYSIS REPORT:**

The Management Discussion and Analysis Report as required under Regulation 2015 is set out in the Annexure -I to this report and gives details of the overall industry structure, economic developments, performance and state of affairs of your and Indian Alluminium industry, industrial and home improvement business, internal controls and their adequacy, risk management systems and other material developments during the Financial Year 2018-19.

**EXTRACT OF ANNUAL RETURN:**

An extract of the Annual Return as prescribed under sub-Section (3) of Section 92 of the Companies Act, 2013 in Format MGT-9 is annexed to the Report-Annexure-II.

**STATEMENT ON DECLARATION GIVEN BY INDEPENDENT DIRECTORS**

The Independent Directors of the Company have submitted their Declaration of Independence, as required under the provisions of Section 149(7) of the Companies Act, 2013 stating that they meet the criteria of Independence as provided in Section 149(6) of the Act and Regulation 25 of the SEBI(Listing Obligations and Disclosure Requirements) Regulations, 2015.

**PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS**

The Company has not granted any loans, or provided any guarantees and made any investments under the provisions of Section 186 of the Companies Act, 2013 read with the Companies (meeting of Board and its Powers) Rules, 2014, during the year under review, hence no disclosure with respect to such loans, guarantee and investments made are required to be given.

**SIGNIFICANT AND MATERIAL ORDERS**

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

**CORPORATE GOVERNANCE**

The detailed report on Corporate Governance for the financial year from 01.04.2018 to 31.3.2019 on the line of requirements of Listing Regulations appears in the Annexure-III to the Directors Report and forms a part of this Annual Report.

**NUMBER OF MEETINGS OF THE BOARD**

The details of the number of meetings of the Board held during the Financial Year 2018-19 forms part of the Corporate Governance Report.

During the year under review, 5 board meetings were held, on 18th April, 2018, 29th May, 2018, 6th August, 2018, 5th November, 2018 and 8th February, 2019.

**3PARTICULARS REGARDING CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO:**

Information in accordance with the provisions of Section 134(3)(m) of the Companies Act, 2013, read with Rule 8 of the Companies (Accounts) Rules, 2014 regarding conservation of energy, technology absorption and foreign exchange earnings and outgo, is given in the statement annexed hereto and forms a part of this Report as Annexure-IV.

**POLICY ON PREVENTION, PROHIBITION AND REDRESSAL OF SEXUAL HARASSMENT AT WORKPLACE.**

Your Company has adopted a Policy on Prevention, Prohibition and Redressal of Sexual Harassment at the Workplace, in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules there under. The Company has zero tolerance towards sexual harassment of women at work place. The Policy aims to provide protection to employees at the workplace and prevent and redress complaints of sexual harassment and for matters connected or incidental thereto, with the objective of providing a safe working environment, where employees feel secure.

During the year under review, no complaints with allegations of sexual harassment were received by the Company. To build awareness in this area, the Company has been conducting induction/refresher programmes in the Company on a continuous basis.

**RELATED PARTY TRANSACTIONS**

In line with the requirements of the Companies Act, 2013 and SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015, your Company has formulated a Policy on Related Party Transactions, which is available on the Company's website [www.sacheta.com](http://www.sacheta.com). The Policy intends to ensure that proper reporting, approval and disclosure processes are in place for all transactions between the Company and Related Parties.

All Related Party Transactions are placed before the Audit Committee for review and approval. Prior omnibus approval is obtained for Related Party Transactions on a quarterly basis for transactions which are of repetitive nature and / or entered in the Ordinary Course of Business and are at Arm's length Price.

All Related Party Transactions entered during the year were in Ordinary Course of Business and at the Arm's Length basis. No Material Related Party Transactions, i.e. transactions exceeding 10% of the annual consolidated turnover as per the last audited financial statement were entered during the year under review.

As all transactions entered with Related Parties for the year under review were on arm's length basis and in the ordinary course of business and that the provisions of Section 188 of the Companies Act, 2013 and the Rules made thereunder are not attracted. Therefore disclosure in form AOC-2 in terms of Section 134 of the Companies Act, 2013 is not applicable to the Company hence not provided.

**VIGIL MECHANISM / WHISTLE BLOWER POLICY**

The Vigil Mechanism of the Company, which also incorporates a whistle blower policy in compliance with the provisions of Section 177(9) & (10) of the Companies Act, 2013 and Regulation 22 of SEBI(LODR) 2015, includes an Ethics and Compliance Task Force comprising senior executives of the Company. Protected disclosures can be made by a whistle blower through an e-mail or a letter to the Task Force or to the Chairman of the Audit Committee. The Vigil Mechanism and Whistle Blower Policy may be accessed on the Company's website [www.sacheta.com](http://www.sacheta.com)

**REMUNERATION OF DIRECTORS, KEY MANAGERIAL PERSONNEL AND EMPLOYEES:**

The remuneration paid to the Directors and Key Managerial Personnel is in accordance with the Nomination and Remuneration Policy formulated in accordance with Section 178 of the Companies Act., 2013 and Regulation 19 of the SEBI (Listing Obligation and Disclosure requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force.

The information required under Section 197 read with Rule 5 of Companies (Appointment and Remuneration of Managerial personnel) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force.) in respect of Directors/ employees of the Company is furnished in below and set out in the Annexure-V

- i. Non-Executive Directors have waived sitting fees for attending the Board Meeting, or any other receipt.
- ii. Managing Director, Executive Directors, Other Key Managerial personnel and Senior Management will involve a balanced between fixed and incentive pay reflecting short and long term performance objectives appropriate to working of the company and its goals.

The Company's policy on directors' appointment and remuneration and other matters provided in Section 178(3) of the Act has been disclosed in the Corporate Governance Report, which is a part of this report and is also available on the company's website: [www.sacheta.com](http://www.sacheta.com)

**DIRECTORS:**

Mr. Ankit S. Shah (DIN 00237217), Director, retires by rotation at the ensuing Annual General Meeting and, being eligible, offer himself for reappointment

Your Company believes that our Board needs to have an appropriate mix of executive, non-executive and Independent Directors to maintain its independence and separate its functions of governance and management. As on 31st March, 2019, our Board comprise of eight members consisting four Executive Directors and four Independent Directors.

Pursuant to the provisions of Section 149 of the Act, the independent directors have submitted declarations that each of them meet the criteria of independence as provided in Section 149(6) of the Act along with Rules framed thereunder and Regulation 16(1)(b) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"). There has been no change in the circumstances affecting their status as independent directors of the Company.

Mr. Pravinchandra P. Shah (DIN: 02464407), Independent Director of the Company, has left for heavenly adobe on 23rd November, 2018. The Company acknowledges his contribution in the development of the Company during his tenure.

Pursuant to the provisions of Section 203 of the Act, the Key Managerial Personnel of the Company as on March 31, 2019 are: Mr.Satishchandra Shah, Managing Director, Mr.D.K. Patel, Chief Financial Officer and Ms.Payal Chhabria, Company Secretary (till 30th May, 2019)

**AUDIT COMMITTEE**

The details pertaining to the composition of the audit committee are included in the Corporate Governance Report, which is a part of this report

**STATUTORY AUDITORS AND AUDIT REPORT**

Pursuant to the recent amendment to Section 139 of the Act effective May 7, 2018, ratification by Shareholders every year for the appointment of the Statutory Auditors is no longer required and accordingly the Notice of ensuing Annual General Meeting does not include the proposal for seeking Shareholders approval for ratification of Statutory Auditors appointment.

M/s. Kiran & Pradip Associates, Chartered Accountants, Ahmedabad (FRN : 0112577W) has furnished a certificate of their eligibility and consent under Section 139 and 141 of the Act and the Companies (Audit and Auditors) Rules 2014 for their continuance as the Auditors of the Company for the FY 2019-20. In terms of the Listing Regulations, the Auditors have confirmed that they hold a valid certificate issued by the Peer Review Board of the ICAI.

The Statutory Auditors' Report for FY 2018-19 on the financial statement of the Company forms part of this Annual Report.

The Statutory Auditors' report on the financial statements for FY 2018-19 does not contain any qualifications, reservations or adverse remarks or disclaimer.

The Statutory Auditors of the Company have not reported any fraud as specified under the second proviso to Section 143(12) of the Act. The observations made by the Auditors' in their report are self-explanatory and therefore, do not call for any comments.

**SECRETARIAL AUDIT**

Pursuant to the provisions of Section 204 of the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed M/s.Umesh Vyas & Associates, Company Secretary in Practice, to carry out the Secretarial Audit of the Company. The Report of the Secretarial Audit for FY 2018-19 is attached herewith as Annexure-VI There are no qualifications, observations or adverse remark or disclaimer in the said report.

**CORPORATE SOCIAL RESPONSIBILITIES**

Pursuant to Section 135 of the Companies Act, 2013, every company having net worth of rupees five hundred crore or more, or

turnover of rupees one thousand crore or more or a net profit of rupees five crore or more during any financial year shall constitute a Corporate Social Responsibility (CSR) Committee of the Board.

Your Company does not fall under the provisions of aforesaid Section; therefore, CSR Committee has not been constituted.

#### **RISK MANAGEMENT**

However the provisions of SEBI (LODR) Regulations, 2015 on Risk Management is not applicable to the Company, as the practice of good Corporate Governance, the Company has internal structure for review of risk assessment in the leadership of the Managing Director. The function of the internal structure on risk management is to implement and monitor the risk management plan for the Company and to monitor and review the risk management plan and ensuring its effectiveness. The major risks affecting business of the Company are identified and functions are systematically addressed through mitigating actions on a continuing basis.

#### **BOARD EVALUATION**

The Board of Directors has carried out an annual evaluation of its own performance, board committees, and individual directors pursuant to the provisions of the Act and SEBI Listing Regulations.

The performance of the board was evaluated by the board after seeking inputs from all the directors on the basis of 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 criteria such as the composition of committees, effectiveness of committee meetings, etc.

The above criteria are based on the Guidance Note on Board Evaluation issued by the Securities and Exchange Board of India on January 5, 2017.

In a separate meeting of independent directors, performance of non-independent directors, the board as a whole and the Chairman of the Company was evaluated, taking into account the views of executive directors and non-executive directors.

The Board and the Nomination and Remuneration Committee reviewed the performance of individual directors on the basis of 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 the board meeting that followed the meeting of the independent directors and meeting of Nomination and Remuneration Committee, the performance of the board, its committees, and individual directors was also discussed. Performance evaluation of independent directors was done by the entire board, excluding the independent director being evaluated

#### **INTERNAL FINANCIAL CONTROL SYSTEMS AND THEIR ADEQUACY**

The details in respect of internal financial control and their adequacy are included in the Discussion and Analysis, which is a part of this report.

#### **INSURANCE:**

All the properties of the Company have been adequately insured.

#### **DIRECTORS' RESPONSIBILITY STATEMENT:**

As required under Section 134(3)(c) of the Companies Act, 2013 your Directors' confirm that:

- i. In the preparation of the annual accounts, the applicable accounting standards have been followed.
- ii. The Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year as on March 31, 2019 and of the profit of the Company for that period.
- iii. The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- iv. The Annual Accounts have been prepared on a going concern basis.
- v. Internal financial control have been laid down and followed by the company and that such controls are adequate and are operating effectively.
- vi. Proper system have been devised to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

#### **ACKNOWLEDGEMENT:**

Your Directors take this opportunity to express their deep sense of gratitude for the valuable assistance and co-operation extended by the Government Authorities, Bankers, vendors, customers, advisors, the general public for the valued contribution, efforts and dedication shown by the Company employees, officers, and the executives at all levels. Your Directors also sincerely acknowledge the confidence and faith reposed by the shareholders of the Company.

**On behalf of the Board of Director  
For Sacheta Metals Limited**

**Place : Mumbai  
Date:- July 12, 2019**

**Satish K. Shah  
Managing Director**

## ANNEXURE - I MANAGEMENT DISCUSSION AND ANALYSIS REPORT

### Overview of the Company

We, SACHETA METALS LIMITED, a Public Limited Company established in the year 1990. The Registered Office and Manufacturing Unit of the Company is situated at Sacheta Udyog Nagar, Opp.College, Mahiyal, Talod-383215 Gujarat. Our Corporate Office is situated at the Business Capital Centre of India Mumbai at Sakseria Industrial Estate, S.V.Road, Malad (West), Mumbai 400064 (INDIA).

We, SACHETA METALS LIMITED, are one of the major manufacturers & exporters of Aluminium, Stainless and mild steel Houseware kitchenware Utensils - Casting - Sheet - Coils - Circles, Non Stick Cookware - Pressure Cooker, Foil Chaquered sheet, PP Caps / Slug & other Houseware & also Stainless Steel Kitchenware in India.

### Financial Review

Turnover achieved for the year ended 31st March, 2019 was Rs.96.97 Crores as against Rs. 69.00 Crores.

Employee cost was Rs. 3.53 Crores as against Rs. 2.74 Crores in the previous year.

The finance cost of the Company was Rs. 0.66 Crores as against Rs. 0.60 Crores in the previous year.

Depreciation (including amortization) was reduced of Rs. 1.47 Crores as against Rs. 1.65 Crores in the previous year.

Net Profit after tax for the current year increased by 11.23% as Rs. 2.08 Crores as against Rs.1.86 Crores in the previous year, as increase in turnover which is direct effect to increase in profit because of increase opportunities of business.

Earnings per share (EPS) for the year was Rs. 1.10 as against Rs. 0.98 in the previous year. The higher a company's EPS, the more profitable it is considered

### New Activities:-

1. a) Looking into the current market the Company is planning to expand its production capacity in the Aluminium House Foils due to increase in demand in the domestic market due to general health awareness, and to take advantage of Government action of imposing anti- dumping duty on primary aluminium which result in to the increase in domestic demand which will be benefited to the company.
- b) Company has established dealership in many geographical area, for aluminium foils. The Company is planning to increase its market strength by spreading distributors network across the India in the coming years. The Company has willingness to invite new distributorship for its products which are most welcomed.
2. Stainless steel product have great importance in improving hygienic lifestyle from private kitchens to public kitchen, hospitality industry, sanitary products, and many more areas of public life in the urban and rural India. Demand of Stainless Steel utensils are ever increasing. Looking into that, the Company has started production of Stainless Steel utensils.
3. Research and Development is in the core of growth of any successful Company. Your Company is carrying out Research and Development activities at its factory premises. Innovation in the area of new products, new methods of production process and new utilization of existing products are the main objective of the R&D function. New methods of production is tested and implemented.

### Industry Overview:-

**The Aluminium Market<sup>1</sup>** was valued at \$133,564 million in 2015, and is expected to reach \$167,277 million by 2022, registering a CAGR of 3.3% from 2016 to 2022. Aluminium is an electronegative metal, which possesses strong affinity for oxygen. It is the sixth most ductile and second most malleable metal present on earth. It is exceptionally light having 2.7g/ccm density, is impervious to dust, possesses high degree of conductivity, and exhibits significant strength when alloyed. It is widely used in food & packaging and pharmaceutical industries, as it is nontoxic in nature, preserves food for prolonged times, inhibits growth of microorganisms. Aluminium is good electrical conductor and thus is used frequently in electrical transmission lines. In addition, it is used as primary propellant for solid rocket booster motor in space shuttle due to its high volumetric energy density. Corrosion resistance, reflectivity, and recyclability are other characteristics of Aluminium, which makes it a favorable choice for various industrial applications.

The growth of the global aluminium market is driven by development in the transport industry, technological advancements in aluminium manufacturing technologies and processing equipment, and increase in usage of aluminium in various industries such as building & construction and foil & packaging. Asia-Pacific is the leading region, in terms of growth, due to massive urbanization, growth in income of people living in urban areas, and rapid industrial development. In addition, continuous advancements in transport industry and ongoing R&D activities to develop innovative, more effective, and cheaper aluminium products fuel the growth of the market. However, increase in competition from substitutes and fluctuations in prices of raw materials such as alumina are some factors that limit the market growth. Growth in demand from emerging economies such as China & India and increase in use of recycled aluminium products globally provides lucrative opportunities for the market expansion. Lowering energy requirement is one of the major challenges faced by aluminium industry.

<sup>1</sup>Source: <https://www.alliedmarketresearch.com/aluminium-market>

### Aluminium industry in India<sup>2</sup>

The most commercially mined aluminium ore is bauxite, as it has the highest content of the base metal. The primary aluminium

production process consists of three stages. First is mining of bauxite, followed by refining of bauxite to alumina and finally smelting of alumina to aluminium. India has the fifth largest bauxite reserves with deposits of about 3 billion tonnes or 5% of world deposits. India's share in world aluminium capacity rests at about 3%. Production of 1 tonne of aluminium requires 2 tonnes of alumina while production of 1 tonne of alumina requires 2 to 3 tonnes of bauxite.

The Domestic Demand for aluminium in India is expected to benefit from the Infrastructure projects prioritized by the government. The government's thrust on the power which sector is the dominant consumer of aluminium in India, augurs well for the aluminium industry.

The Automobile and food packaging industries are also expected to stoke aluminium growth. Furthermore, rapid urbanisation should augment consumer demand, yet another positive for the sector. Moreover the per capita aluminium consumption is far below the global average. This offers a huge potential, given our demographic and economic outlook.

The global consumption of primary aluminium is expected to touch around 66 to 67 Mt. in CY18. Transport, construction and machinery and equipment are among the few user industries that are expected to drive the demand for primary aluminium in CY18.

As per forecast by the International Monetary Fund (IMF), India will be the fastest growing major economy in 2018 with a growth rate of 7.4% that rises to 7.8% in 2019 with medium-term prospects remaining positive. The IMF said that India was recovering from the effects of demonetisation and the introduction of the Goods and Services Tax and the recovery is expected to be underpinned by a rebound from transitory shocks as well as robust private consumption.

On the domestic front, we expect demand to recover significantly in FY19 with the surge in industrial activity. The power, packaging and transport sectors are the likely demand drivers of aluminium in India in FY19. The domestic imports of aluminium products, including scrap, are growing significantly, which is a major concern for the domestic aluminium producers.

The total Aluminium Production in India increased by a huge 18.1% during 2017-18 to 3.4 Million Tonnes. During the same period, the Aluminium consumption grew by a healthy 9.8%, of which, Aluminium imports contributed 54.1%. Aluminium exports by Primary producers was 1.72 Million Tonnes, registering a growth of 31.5% year-on-year.

It remains to be seen what kind of impact, direct or indirect, is made by the imposition of trade tariffs by the US on India's exports. However, the domestic market is expected to show robust growth, supported by the increased industrial activity in the country and various Government schemes like Make-in-India and Smart Cities. In anticipation of an increase in demand, the primary producers have been ramping up their production over the last year, which is expected to continue this year as well.

<sup>2</sup>**Source:** <https://www.equitymaster.com/research-it/sector-info/aluminium/Aluminium-Sector-Analysis-Report.asp>

#### Cautionary Statement

Statements in this Management Discussion and Analysis describing the Company's objectives, projections, estimates and expectations may be forward looking statements' within the meaning of applicable laws and regulations. Actual results may differ substantially or materially from those expressed or implied. Important developments that could affect the Company's operations include a downward trend in the particular industry, rise in input costs, exchange rate fluctuations, and significant changes in political and economic environment in India, environment standards, tax laws, litigation and labour relations.

Shareholders are cautioned that certain data and information external to the Company is included in this section. Though these data and information are based on sources believed to be reliable, no representation is made on their accuracy or comprehensiveness. Further, though utmost care has been taken to ensure that the opinions expressed by the management herein contain their perceptions on most of the important trends having a material impact on the Company's operations, no representation is made that the following presents an exhaustive coverage on and of all issues related to the same. The opinions expressed by the management may contain certain forward-looking statements in the current scenario, which is extremely dynamic and increasingly fraught with risks and uncertainties.

### CEO AND CFO CERTIFICATION

**We have reviewed the financial statements and cash flow statement for the year ended 31st March, 2019 and to the best of our knowledge and belief:**

- a) That :
  - i. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - ii. these statements together present a true and fair view of the Company's affairs and are in compliance with existing Accounting Standards, applicable laws and regulations.
- b) That to the best of our knowledge and belief no transactions entered into by the Company during the year ended 31st March, 2019 are fraudulent, illegal or violative of the Company's code of conduct,
- c) We are responsible for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting. Deficiencies in the design or operation of such internal controls, if any, of which we are aware have been disclosed to the auditors and the Audit Committee and steps

have been taken to rectify these deficiencies.

d) That:

- i) There has not been any significant change in internal control over financial reporting during the year under reference;
- ii) There has not been any significant change in accounting policies during the year except as has been disclosed in the notes to the financial statements: and
- iii) We are not aware of any instance during the year of significant fraud with involvement therein of the management or any employee having a significant role in the Company's internal control system over financial reporting.

**Place : Mumbai,**  
**Date : 12.07.2019**

**Satish K. Shah**  
**Managing Director**

**D K Patel**  
**Chief Financial Officer**

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### **AUDITOR'S CERTIFICATE ON CORPORATE GOVERNANCE**

To,  
The Members  
**Sacheta Metals Limited**

We have examined the compliance of conditions of Corporate Governance by Sacheta Metals Limited ('the Company'), for the year ended March 31, 2019, as per Regulations 17-27, clauses (b) to (i) of Regulation 46(2) and paragraphs C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations').

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

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

#### **Practitioner's Responsibility**

1. We conducted our examination in accordance with the Guidance Note on Reports or Certificates for Special Purposes (Revised 2016) issued by the Institute of Chartered Accountants of India. The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India.
2. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

#### **Opinion**

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as specified in Regulations 17 to 27, clauses (b) to (i) of Regulation 46(2) and paragraphs C, D and E of Schedule V of the Listing Regulations, as applicable.

#### **Restrictions on use**

This certificate has been issued on the request of the Company pursuant to regulations as stipulated in the Listing Regulations and is not intended to be used for any other purpose.

Accordingly, 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 Kiran & Pradip Associates**  
**Chartered Accountants**  
**Firm Reg. No. 112577W**

**Place: Ahmedabad**  
**Date : 12th July, 2019**

**Pradip Shah**  
**Partner**  
**M. No. 035636**

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**ANNEXURE-II**  
**FORM NO. MGT-9**  
**EXTRACT OF ANNUAL RETURN**  
**As on financial year ended on 31.03.2019**

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

<b>I. REGISTRATION &amp; OTHER DETAILS:</b>		
1	CIN	L27100GJ1990PLC013784
2	Registration Date	17 / 05 / 1990
3	Name of the Company	SACHETA METALS LIMITED
4	Category/Sub-category of the Company	Company having Share Capital
5	Address of the Registered office & contact details	Sacheta Udyog Nagar, Block No. 33, at: Mahiyal, Taluka: Talod, District: Sabarkantha, PIN: 3832115
6	Whether listed company	Yes (Listed on BSE )
7	Name, Address & contact details of the Registrar & Transfer Agent, if any.	Purva Sharegistry (India) Pvt. Ltd., Gala No. 9, Shivshakti Industrial Estate, Sitaram Mill Compound, J. R. Borchha Marg, Lower Parel(E), Mumbai 400011

<b>II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY</b>
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(All the business activities contributing 10 % or more of the total turnover of the company shall be stated)

S. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1	Alluminium products	76011090	100%

<b>III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES</b>
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SN	Name and address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
NA					

A. Category Wise Shareholding									
Category Of Shareholders	No Of Shares held at the beginning of year				No Of Shares held at the end of year				% Change
	31/03/2018				31/03/2019				
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoters</b>									
(1) Indian									
(a) Individuals/ HUF	7303090	0	7303090	38.56	7290933	0	7290933	38.49	-0.06
(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 Corp.	0	0	0	0	0	0	0	0	0
(e) Banks / FI	0	0	0	0	0	0	0	0	0
(f) Any Other....									
* DIRECTORS	3354586	0	3354586	17.71	3620074	0	3620074	19.11	1.40
* DIRECTORS RELATIVES	103700	0	103700	0.55	103700	0	103700	0.55	0.00
* PERSON ACTING IN CONCERN	0	0	0	0	0	0	0	0	0
Sub Total (A)(1):	10761376	0	10761376	56.82	11014707	0	11014707	58.16	1.34
(2) Foreign									
(a) NRI Individuals	0	0	0	0	0	0	0	0	0
(b) Other Individuals	0	0	0	0	0	0	0	0	0
(c) Bodies Corp.	0	0	0	0	0	0	0	0	0
(d) Banks / FI	0	0	0	0	0	0	0	0	0
(e) Any Other....	0	0	0	0	0	0	0	0	0
Sub Total (A)(2):	0	0	0	0	0	0	0	0	0
Total shareholding of Promoter (A) = (A)(1)+(A)(2)	10761376	0	10761376	56.82	11014707	0	11014707	58.16	1.34
<b>B. Public Shareholding</b>									
<b>(1) Institutions</b>									
(a) Mutual Funds	0	0	0	0	0	0	0	0	0
(b) Banks FI	0	0	0	0	0	0	0	0	0
(c) Central Govt	0	0	0	0	0	0	0	0	0
(d) State Govt(s)	0	0	0	0	0	0	0	0	0
(e) Venture Capital Funds	0	0	0	0	0	0	0	0	0
(f) Insurance Companies	0	0	0	0	0	0	0	0	0
(g) FIs	0	0	0	0	0	0	0	0	0
(h) Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	0
(i) Others (specify)									
* U.T.I.	0	0	0	0	0	0	0	0	0
* FINANCIAL INSTITUTIONS	0	0	0	0	0	0	0	0	0
* I.D.B.I.	0	0	0	0	0	0	0	0	0
* I.C.I.C.I.	0	0	0	0	0	0	0	0	0
* GOVERNMENT COMPANIES	0	0	0	0	0	0	0	0	0
* STATE FINANCIAL CORPORATION	0	0	0	0	0	0	0	0	0
* QUALIFIED FOREIGN INVESTOR	0	0	0	0	0	0	0	0	0
* ANY OTHER	0	0	0	0	0	0	0	0	0
* OTC DEALERS (BODIES CORPORATE)	0	0	0	0	0	0	0	0	0
* PRIVATE SECTOR BANKS	0	0	0	0	1971	0	1971	0.01	0.01
Sub-total (B)(1):	0	0	0	0	1971	0	1971	0.01	0.01
(2) Non-Institutions									
(a) Bodies Corp.									
(i) Indian	2817758	0	2817758	14.88	1790803	0	1790803	9.46	-5.42
(ii) Overseas	0	0	0	0	0	0	0	0	0
(b) Individuals									
(i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	979853	53215	1033068	5.45	1312239	49215	1361454	7.19	1.73

(ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	3116864	0	3116864	16.46	3447923	0	3447923	18.20	1.75
(c) Others (specify)									
* UNCLAIMED OR SUSPENSE OR ESCROW ACCOUNT	0	0	0	0	0	0	0	0	0
* IEPF	0	0	0	0	0	0	0	0	0
* LLP	0	0	0	0	0	0	0	0	0
* FOREIGN NATIONALS	0	0	0	0	0	0	0	0	0
* QUALIFIED FOREIGN INVESTOR	0	0	0	0	0	0	0	0	0
* ALTERNATE INVESTMENT FUND	0	0	0	0	0	0	0	0	0
* N.R.I.	298883	0	298883	1.58	375015	0	375015	1.98	0.40
* FOREIGN CORPORATE BODIES	0	0	0	0	0	0	0	0	0
* TRUST	0	0	0	0	0	0	0	0	0
* HINDU UNDIVIDED FAMILY	589992	0	589992	3.12	677114	0	677114	3.58	0.46
* EMPLOYEE	0	0	0	0	0	0	0	0	0
* CLEARING MEMBERS	322059	0	322059	1.70	271013	0	271013	1.43	-0.27
* DEPOSITORY RECEIPTS	0	0	0	0	0	0	0	0	0
* OTHER DIRECTORS & RELATIVES	0	0	0	0	0	0	0	0	0
* MARKET MAKERS	0	0	0	0	0	0	0	0	0
Sub-total (B)(2):	8125409	53215	8178624	43.18	7874107	49215	7923322	41.83	-1.35
Total Public Shareholding (B) = (B)(1)+(B)(2)	8125409	53215	8178624	43.18	7876078	49215	7925293	41.84	-1.34
C. TOTSHR held by Custodian for GDRs & ADRs	0	0	0	0	0	0	0	0	0
GrandTotal(A + B + C)	18886785	53215	18940000	100	18890785	49215	18940000	100	0

B. Shareholding of Promoters								
Sl No	ShareHolder's Name	ShareHolding at the beginning of the year			ShareHolding at the end of the year			% change in share holding during the year
		31/03/2018			31/03/2019			
		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	SATISHKUMAR KESHAVLAL SHAH	4170370	22.02	0.00	4073707	21.51	0.00	-0.51
2	CHETNABEN SATISHKUMAR SHAH	3132720	16.54	0.00	3217226	16.99	0.00	0.45
3	ANKIT SATISHKUMAR SHAH	1836973	9.70	0.00	1990442	10.51	0.00	0.81
4	PRANAV SATISHKUMAR SHAH	1517613	8.01	0.00	1629632	8.60	0.00	0.59
5	HIRAL DHARMESH SHAH	83700	0.44	0.00	83700	0.44	0.00	0.00
6	SHALINI ANKIT SHAH	20000	0.11	0.00	20000	0.11	0.00	0.00

C. Change in Promoter's Shareholding:						
SL No.	ShareHolder's Name	ShareHolding at the beginning of the year		Cumulative ShareHolding at the end of the year		Type
		31/03/2018		31/03/2019		
		No of Shares	% of Total Shares of the Company	No. of Shares	% change in share holding during the year	
1	SATISHKUMAR K SHAH	4170370	22.02			
	15-06-2018	-10870	-0.06	4159500	21.96	Sell
	22-06-2018	-21916	-0.12	4137584	21.85	Sell
	29-06-2018	-21688	-0.11	4115896	21.73	Sell
	19-10-2018	-5100	-0.03	4110796	21.70	Sell
	26-10-2018	-4300	-0.02	4106496	21.68	Sell
	02-11-2018	-3100	-0.02	4103396	21.67	Sell
	16-11-2018	-6500	-0.03	4096896	21.63	Sell
	23-11-2018	-22515	-0.12	4074381	21.51	Sell
	30-11-2018	-41050	-0.22	4033331	21.30	Sell
	07-12-2018	-4000	-0.02	4029331	21.27	Sell
	14-12-2018	-15000	-0.08	4014331	21.19	Sell
	21-12-2018	-5000	-0.03	4009331	21.17	Sell
	01-02-2019	-34749	-0.18	3974582	20.99	Sell
	22-02-2019	-17165	-0.09	3957417	20.89	Sell
	08-03-2019	-50000	-0.26	3907417	20.63	Sell
	22-03-2019	68414	0.36	3975831	20.99	Buy
	29-03-2019	97876	0.52	4073707	21.51	Buy
	30-03-2019			4073707	21.51	
2	CHETNABEN SHAH	3132720	16.54			
	15-03-2019	72842	0.38	3205562	16.92	Buy
	29-03-2019	11664	0.06	3217226	16.99	Buy
	30-03-2019			3217226	16.99	
3	ANKIT SATISHKUMAR SHAH	1836973	9.70			
	01-03-2019	110	0.00	1837083	9.70	Buy
	15-03-2019	85001	0.45	1922084	10.15	Buy
	22-03-2019	68358	0.36	1990442	10.51	Buy
	30-03-2019			1990442	10.51	
4	PRANAV SHAH	1517613	8.01			
	15-03-2019	38567	0.20	1556180	8.22	Buy
	22-03-2019	25251	0.13	1581431	8.35	Buy
	29-03-2019	48201	0.25	1629632	8.60	Buy
	30-03-2019			1629632	8.60	
5	HIRAL DHARMESH SHAH	83700	0.44			
	30-03-2019			83700	0.44	
6	SHALINI ANKIT SHAH	20000	0.11			
	30-03-2019			20000	0.11	

D. Shareholding Pattern of top ten Shareholders:						
SL No.	ShareHolder's Name	ShareHolding at the beginning of the year		Cumulative ShareHolding at the end of the year		Type
		31/03/2018		31/03/2019		
		No of Shares	% of Total Shares of the Company	No. of Shares	% change in share holding during the year	
1	ESKAY ALUMINIUM PVT LTD	355256	1.88			
	30-03-2019			355256	1.88	
2	JIGNESH HEMANTBHAI DANI	251493	1.33			
	15-06-2018	1350	0.01	252843	1.33	Buy
	02-11-2018	6856	0.04	259699	1.37	Buy
	01-02-2019	14030	0.07	273729	1.45	Buy
	01-03-2019	2000	0.01	275729	1.46	Buy
	15-03-2019	7900	0.04	283629	1.50	Buy
	29-03-2019	2000	0.01	285629	1.51	Buy
	30-03-2019			285629	1.51	
3	SWAL LIMITED	237740	1.26			
	08-03-2019	-102380	-0.54	135360	0.71	Sell
	15-03-2019	-90000	-0.48	45360	0.24	Sell
	29-03-2019	32000	0.17	77360	0.41	Buy
	30-03-2019			77360	0.41	
4	RUJIRA BANERJEE	230000	1.21			
	07-12-2018	-6872	-0.04	223128	1.18	Sell
	11-01-2019	-100000	-0.53	123128	0.65	Sell
	18-01-2019	-98129	-0.52	24999	0.13	Sell
	01-03-2019	-24999	-0.13	0	0.00	Sell
	30-03-2019			0	0.00	
5	LEAPS & BOUNDS PRIVATE LIMITED	190527	1.01			
	30-03-2019			190527	1.01	
6	JAGRUTI SHAILESH SHAH	186321	0.98			
	07-12-2018	18950	0.10	205271	1.08	Buy
	28-12-2018	-50	-0.00	205221	1.08	Sell
	08-02-2019	7263	0.04	212484	1.12	Buy
	08-03-2019	-99962	-0.53	112522	0.59	Sell
	15-03-2019	119192	0.63	231714	1.22	Buy
	30-03-2019			231714	1.22	
7	AWADH HEEMGHAR	185000	0.98			
	04-05-2018	-10000	-0.05	175000	0.92	Sell
	28-09-2018	-2500	-0.01	172500	0.91	Sell
	12-10-2018	-306	-0.00	172194	0.91	Sell
	01-02-2019	-23451	-0.12	148743	0.79	Sell
	08-03-2019	-90000	-0.48	58743	0.31	Sell
	15-03-2019	-45667	-0.24	13076	0.07	Sell
	30-03-2019			13076	0.07	
8	WORTH WHILE TRADERS	175000	0.92			
	12-10-2018	5803	0.03	180803	0.95	Buy
	22-02-2019	-2452	-0.01	178351	0.94	Sell
	08-03-2019	-144023	-0.76	34328	0.18	Sell
	15-03-2019	-34238	-0.18	90	0.00	Sell
	30-03-2019			90	0.00	
9	ANAND POTATO COLD STORAGE PRIVATE LIMITED	165000	0.87			
	08-02-2019	-18175	-0.10	146825	0.78	Sell
	15-02-2019	-41	-0.00	146784	0.77	Sell
	08-03-2019	-90000	-0.48	56784	0.30	Sell
	15-03-2019	-56784	-0.30	0	0.00	Sell
	30-03-2019			0	0.00	
10	ECONO TRADE INDIA LIMITED	156000	0.82			
	20-04-2018	-5	-0.00	155995	0.82	Sell
	03-08-2018	-4540	-0.02	151455	0.80	Sell
	07-09-2018	-3552	-0.02	147903	0.78	Sell
	08-03-2019	-15000	-0.08	132903	0.70	Sell
	15-03-2019	-16301	-0.09	116602	0.62	Sell
	30-03-2019			116602	0.62	
11	GANPATI STOCKS PVT. LTD.	154830	0.82			
	20-04-2018	695	0.00	155525	0.82	Buy
	30-03-2019			155525	0.82	

12	JYOTSNA C SHAH	131180	0.69			
	30-03-2019			131180	0.69	
13	BIMAL SINGH BOTHRA HUF .	126754	0.67			
	06-04-2018	1000	0.01	127754	0.67	Buy
	27-04-2018	3355	0.02	131109	0.69	Buy
	11-05-2018	24	0.00	131133	0.69	Buy
	18-05-2018	237	0.00	131370	0.69	Buy
	22-06-2018	467	0.00	131837	0.70	Buy
	16-11-2018	-350	-0.00	131487	0.69	Sell
	30-03-2019			131487	0.69	
14	SUNANDABEN DILIP SANGHAVI	100619	0.53			
	22-06-2018	4698	0.02	105317	0.56	Buy
	29-06-2018	1507	0.01	106824	0.56	Buy
	06-07-2018	4700	0.02	111524	0.59	Buy
	13-07-2018	450	0.00	111974	0.59	Buy
	26-10-2018	5000	0.03	116974	0.62	Buy
	16-11-2018	2989	0.02	119963	0.63	Buy
	23-11-2018	13671	0.07	133634	0.71	Buy
	30-11-2018	32321	0.17	165955	0.88	Buy
	07-12-2018	3984	0.02	169939	0.90	Buy
	14-12-2018	1736	0.01	171675	0.91	Buy
	15-02-2019	2195	0.01	173870	0.92	Buy
	22-02-2019	16526	0.09	190396	1.01	Buy
	01-03-2019	5770	0.03	196166	1.04	Buy
	08-03-2019	-101472	-0.54	94694	0.50	Sell
	15-03-2019	109922	0.58	204616	1.08	Buy
	22-03-2019	18214	0.10	222830	1.18	Buy
	29-03-2019	3762	0.02	226592	1.20	Buy
	30-03-2019			226592	1.20	
15	KISHORI ROHIT SANGHVI	5211	0.03			
	06-04-2018	3457	0.02	8668	0.05	Buy
	13-04-2018	-4390	-0.02	4278	0.02	Sell
	27-04-2018	-900	-0.00	3378	0.02	Sell
	04-05-2018	-1460	-0.01	1918	0.01	Sell
	18-05-2018	-1918	-0.01	0	0.00	Sell
	12-10-2018	26	0.00	26	0.00	Buy
	19-10-2018	54	0.00	80	0.00	Buy
	26-10-2018	-80	-0.00	0	0.00	Sell
	15-03-2019	105000	0.55	105000	0.55	Buy
	22-03-2019	143	0.00	105143	0.56	Buy
	29-03-2019	910	0.00	106053	0.56	Buy
	30-03-2019			106053	0.56	

## E. Sharedholding of Directors and Key Managerial Personnel:

SL No.	ShareHolder's Name	ShareHolding at the beginning of the year		Cumulative ShareHolding at the end of the year		Type
		31/03/2018		31/03/2019		
		No of Shares	% of Total Shares of the Company	No. of Shares	% change in share holding during the year	
1	SATISHKUMAR K SHAH (Managing Director)	4170370	22.02			
	15-06-2018	-10870	-0.06	4159500	21.96	Sell
	22-06-2018	-21916	-0.12	4137584	21.85	Sell
	29-06-2018	-21688	-0.11	4115896	21.73	Sell
	19-10-2018	-5100	-0.03	4110796	21.70	Sell
	26-10-2018	-4300	-0.02	4106496	21.68	Sell
	02-11-2018	-3100	-0.02	4103396	21.67	Sell
	16-11-2018	-6500	-0.03	4096896	21.63	Sell
	23-11-2018	-22515	-0.12	4074381	21.51	Sell
	30-11-2018	-41050	-0.22	4033331	21.30	Sell
	07-12-2018	-4000	-0.02	4029331	21.27	Sell
	14-12-2018	-15000	-0.08	4014331	21.19	Sell
	21-12-2018	-5000	-0.03	4009331	21.17	Sell
	01-02-2019	-34749	-0.18	3974582	20.99	Sell
	22-02-2019	-17165	-0.09	3957417	20.89	Sell
	08-03-2019	-50000	-0.26	3907417	20.63	Sell
	22-03-2019	68414	0.36	3975831	20.99	Buy
	29-03-2019	97876	0.52	4073707	21.51	Buy
	30-03-2019			4073707	21.51	

V. INDEBTEDNESS				
INDEBTEDNESS OF THE COMPANY INCLUDING INTEREST OUTSTANDING/ACCRUED BUT NOT DUE FOR PAYMENT.				
PARTICULARS	SECURED LOANS EXCLUDING DEPOSITS	UNSECURED LOAN	DEPOSITS	TOTAL INDEBTEDNESS
<b>Indebtedness at the beginning of the financial year</b>				
i)Principal Amount	2130.74	0	0	2130.74
ii) interest due but not paid	0			
iii) interest accrued but not due	0			
<b>Total</b>	2130.74	0	0	2130.74
<b>Change in Indebtedness during the financial year</b>				
Addition	0	0		0
Reduction	-346.59	0		-346.59
<b>Net Change</b>	-346.59	0	0	-346.59
<b>Indebtedness at the end of the financial year</b>				
i)Principal Amount	1784.15			1784.15
ii) interest due but not paid	0			0
iii) interest accrued but not due	0			0
<b>Total</b>	1784.15	0	0	1784.15

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL						
Remuneration to Managing Director, Whole time Director and/or Manager						
Sr. no	Particulars of Remuneration	Name of MD/WTD/Manager				Total Amount Rs. In Lacs
		Mr. Satish K. Shah	Mrs. Chetnaben S. Shah	Mr. Ankit S. Shah	Mr. Pranav S. Shah	
		MD	Joint MD	ED	ED	
1	Gross Salary	4.80	3.00	4.20	3.60	15.60
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act 1961	4.80	3.00	4.20	3.60	15.60
	(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 Shares					
4	Commission					
	as % of profit other , specify					
5	Others, Please Specify					
	<b>Total</b>	4.80	3.00	4.20	3.60	15.60
	Ceiling as per the Act	24.00 +Perquisites	12.00 +Perquisites	21.00 +Perquisites	15.00 +Perquisites	

B. Remuneration to other Directors				
Sr.no	Particulars of Remuneration	Name of Directors		Total Amount Rs. In Lacs
		None of the Directro is paid any remuneration		

C. Remuneration to KMP other than MD/WTD/Manager					
Sr.no	Particulars of Remuneration	Name of KMP			Total Amount Rs. In Lacs
		Mr. D K Patel	*Mr. Abbasali Sunasara	**Ms. Payal Chhabria	
		CFO	CS	CS	
1	Gross Salary	2.30	0.36	0.86	3.52
	(a) Salary as per provisions contained in section 17(1) of the Incom Tax Act 1961	2.30	0.36	0.86	3.52
	(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 Shares				
4	Commission as % of profit				
	other , specify				
5	Others, Please Specify				
	<b>Total</b>	<b>2.30</b>	<b>0.36</b>	<b>0.86</b>	<b>3.52</b>

01/04/2018 to 29.05.2018

22.09.2018 to 31/03/2019

VIII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:					
Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)
<b>A. COMPANY</b>					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
<b>B. DIRECTORS</b>					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
<b>C. OTHER OFFICERS IN DEFAULT</b>					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-



**ANNEXURE III TO THE DIRECTORS' REPORT  
CORPORATE GOVERNANCE REPORT  
COMPANY'S PHILOSOPHY ON CODE OF CORPORATE GOVERNANCE**

**In terms of Regulation 34(3) read with Schedule V of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, the Company's Report on Corporate Governance for the year ended March 31, 2019.**

Sacheta Metals Limited is committed to executing sustainable business practice and creating long-term value for all its stakeholders. To pursue this objective, the company remains steadfast in its value systems that incorporate integrity, transparency and fairness across all its business activities.

The Company continues to focus on its commitments towards the development of the community where it operates. It has adopted best practices towards preserving the environment and adherence to the highest safety standards remains a focus area across all operations. Sacheta Metals Limited value systems are based on the foundation of fair and ethical practices in all its dealings with stakeholders including customers, vendors, contractors, employees and all others who are part of the company business value chain.

Towards this end, all Directors and Senior Management are committed to the company's Code of Conduct.

**BOARD OF DIRECTORS**

**Composition:**

The Board of Directors of the Company has an ideal combination of the executive and non-executive Directors. The present Board of Directors consists of the eight members, headed by the Executive Chairman and comprises of three Executive Directors and four Non-executive Independent Directors. During the period from 01-04-2018 to 31-03-2019, the board meetings were held on 18th April, 2018, 29th May, 2018, 6th August, 2018, 5th November, 2018 and 8th February, 2019.

The composition of the Board, number of public companies on the Board or Committee of which a Director is a Member or a Chairman is given below: -

Name	Position/Category	No. of Board Meetings Attended	Attendance at last AGM	Total no. of directorships in other public companies (*)
Mr. Satish K. Shah DIN:- 00237283	Promoter and Chairman & Managing Director	5 of 5	Yes	None
Mrs. Chetna S. Shah DIN:-00237410	Promoter and Joint Managing Director	5 of 5	Yes	None
Mr. Ankit S. Shah DIN:-00237217	Executive Director (promoter group)	4 of 5	Yes	None
Mr. Pranav S Shah DIN:-06949685	Executive Director (promoter group)	5 of 5	Yes	None
Mr. Jagdish Gandhi DIN:-02384640	Independent Non-Executive Director	4 of 5	Yes	None
Mr. Kashyap T. Badheka DIN:-08095265	Independent Non-Executive Director	5 of 5	Yes	None
Mr. Dilip S Sanghvi DIN:-06954684	Independent Non-Executive Director	4 of 5	Yes	None
*Pravinchandra P. Shah DIN:02464407	Independent Non-Executive Director	4 of 5*	Yes	None
**Mrs. Zarnaben D. Shah DIN:-08351755	Independent Non-Executive Director	1 of 5 **	No	None

\*Till 23rd November, 2018

\*\*Appointed on 08th February, 2019

**COMMITTEE OF THE BOARD**

Board of Directors of the Company have constituted Board Committee to deal with specific areas and activities which concern the Company and required a closer review.

The Board currently has the following committee.

**(A) AUDIT COMMITTEE**

The Audit Committee of the Board of Directors is entrusted with the responsibilities to supervise the Company's internal control and financial Reporting process. The composition, quorum, power, role and scope are in the accordance with Section 177 of the Companies Act, 2013 and as per the provision of Regulation 18 of the Listing Regulation.

**Term of Reference:**

The term of reference of the Audit Committee as laid down by the Board are in accordance with those specified in the Listing Regulations and Section 177 of the Companies Act, 2013.

**Composition:**

The Audit Committee met four times during the Financial Year 2018-19. The interval between the two meeting was as per the Section 173 of the Companies Act, 2013 read with Regulation 17 of the Listing Regulations. The following is the constitution the of Committee:

Name of Member	Designation	Category
Mr. Kashyap Badheka	Chairman	Independent, Non-executive Director
Mrs. Zarna Shah	Member	Independent, Non-executive Director
Mr. Satish K. Shah	Member	Non-Independent, Executive Director

There has been no change in the composition of the committee during the year. The Company Secretary acts as the secretary to the audit committee. The Board accepted all the recommendations made by committee during the year.

**(B) STAKEHOLDER RELATIONSHIP COMMITTEE**

The Stakeholders Relationship Committee is constituted under Section 178 of the Companies Act, 2013 read with Regulation 20 of the Listing Regulations. The Committee consists of three Directors; two being Independent non-executive Directors and one executive director. The Chairman of the Committee is an Independent Director.

The Shareholders / Investors' Grievance Committee of the Board will look into the redressal of investors' complaints like non-receipt of Annual Reports, dividend payments etc. and matters related to Share transfers, issue of duplicate share certificates, dematerialisation / re-materialisation of shares, transfer / transmission of shares, other allied transactions and also delegates powers to the executives of the Company to process transfers etc.

**Composition:**

The following is the constitution of the Committee:

Name of Member	Designation	Category
Mr. Jagdish Gandhi	Chairman	Independent, Non-executive Director
Mrs. Zarna Shah	Member	Independent, Non-executive Director
Mr. Ankit S. Shah	Member	Non-Independent, Executive Director

**Details of the Queries/Complaints received and resolved by the Company during the Year 2018-19:**

The Committee has not received any query/complaint from Shareholders/Investor during the year.

**Compliance Officer:**

Ms. Payal Chabbria,(up to 30.05.2019)

Sakseria Industrail Estate, S. V. Road, Chincholi, Malad(W), Mumbai-400064

**(C) NOMINATION AND REMUNERATION COMMITTEE:**

The Remuneration Committee constituted as per Regulation 19 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 178 of The Companies Act 2013, which comprises of three non-executive directors and one executive director, with the Chairman being an independent director.

The Committee has been formed to decide and approve the terms and conditions for appointment of directors and senior management personnel of the company and remuneration payable to other directors and executives of the company and other matters related thereto.

The purpose of the Committee is to oversee the Company's nomination process for the senior management and specifically to identify, screen and review individuals qualified to serve as EDs, NEDs and IDs consistent with criteria approved by the Board and to recommend, for approval by the Board, nominees for election at the AGM of the shareholders.

**Composition:**

The following is the constitution of the Committee:

Name of Member	Designation	Category
Mr. Jagdish Gandhi	Chairman	Independent, Non-executive Director
Mr. Kashyap Badheka	Member	Independent, Non-executive Director
Mrs. Zarna Shah	Member	Independent, Non-executive Director

**REMUNERATION OF DIRECTORS:**

The Managing Director, Dy Managing Director and Executive Director are paid remuneration as under:

Sr.No.	Name of Director	Salary	Contribution to PF	Perquisites	Total
1	Mr Satish K Shah	4,80,000	-	-	480000
2	Mrs Chetnaben S Shah	3,00,000	-	-	300000
3	Mr Ankit S Shah	4,20,000	-	-	420000
4	Mr Pranav S Shah	3,60,000	-	-	360000

**DISCLOSURES****Materially significant related party transactions**

All the Related Party Transactions are forming part of the notes to the Balance Sheet. Other than those there was no materially significant related party transaction with its promoters, directors or the management, their subsidiaries or relatives etc. that had a potential conflict with the interest of the Company at large

**Details of non compliance by the Company, penalties, strictures imposed on the Company by the Stock Exchange or Securities and Exchange Board of India (SEBI) or any Authority on any matter related to capital markets during last three years:**

The Company has complied with various rules and regulations prescribed by the Stock Exchanges, SEBI and all other regulatory and statutory authorities relating to the capital markets during the year under report.

**CEO & CFO Certification;**

The company has obtained necessary certificate from the CEO/CFO as required under the listing Regulations.

**Risk Management:**

Senior Management and the Audit Committee are presented the result of risk assessment and residual risk by the Board who takes responsibility for total process of risk management in the organisation. The Management is accountable for the integration of risk management practice into the day to day activities.

**MEETING OF INDEPENDENT DIRECTORS:**

During the year under review, the Independent Directors met on 8th February 2019, inter-alia, to discuss:

1. Review of the performance of Non-independent Directors and the Board as a whole for FY 2018-19; and
2. To assess the quality, quantity and timeliness of flow of information between the management and the Board.

All the Independent Directors were present at the Meeting.

The performance of the Chairman was evaluated for FY 2018-19 by the 'Nomination and Remuneration Committee' and the Board.

**Adoption of Various Polices:**

- **Anti-Sexual Harassment Policy**
- **Related Party Policy**
- **Policy On Material Event**
- **Term And Conditions Of Appointment Of Independent Directors**
- **Familiarisation For Independent Directors**
- **Fair Disclosure Code**
- **Criteria Of Making Payments To Ned**
- **Whistle Blower Policy / Vigil Mechanism**

Detail contain of above mention policy available on Company's website [www.sacheta.com](http://www.sacheta.com) .

**Prevention of Insider Trading**

In line with the SEBI (Prohibition of Insider Trading) Regulations, 2015, the Company has adopted a Code of Conduct for Prevention of Insider Trading. All Directors, employees and other designated persons, who could have access to the unpublished price sensitive information of the Company are governed by this code.

The trading window in dealing with the equity shares of the Company is closed during declaration of financial results and occurrence of any material events as per the code. During the year under review there has been due compliance with the said code.

**SHAREHOLDERS INFORMATION:****GENERAL BODY MEETINGS:**

The previous three Annual General Meetings of the Company held on the dates, at the time and venue given below:

Financial Year	Date & Time	Venue
2017-18	Saturday, September 29, 2018 at 11.00 a.m.	Register Office:- Block No. 33, Sacheta Udyognagar, Village : Mahiyal, Tal: Talod, Dist. Sabarkantha-383215 (Gujarat)
2016-17	Friday, September 29, 2017 at 11.00 a.m.	Register Office:- Block No. 33, Sacheta Udyognagar, Village : Mahiyal, Tal: Talod, Dist. Sabarkantha-383215 (Gujarat)
2015-16	Wednesday, September 28, 2106 at 11.00 a.m.	Register Office:- Block No. 33, Sacheta Udyognagar, Village : Mahiyal, Tal: Talod, Dist. Sabarkantha-383215 (Gujarat)

The Company is registered in the State of Gujarat, India. The Corporate Identification Number (CIN) allotted to the Company by the Ministry of Corporate Affairs (MCA) is CIN: L27100GJ1990PLC013784

**Day, Date & Time of AGM** : 28th September, 2019 at 11.00 a.m.

**AGM Venue** : Block No. 33, Sacheta Udyognagar, Village : Mahiyal, Tal: Talod, Dist. Sabarkantha (Gujarat)

**Financial Year** : April 1, 2018 to March 31, 2019

**Book Closure Dates** : 21st September, 2019 to 28th September, 2019 (Both days inclusive)

<b>Registered office &amp; Plant</b>	:	Block No. 33, Sacheta Udyognagar, Village : Mahiyal, Tal: Talod, Dist. Sabarkantha-383215(Gujarat)
<b>Compliance officer</b>	:	Ms. Payal Chabbria (upto 30.05.2019)
<b>E-mail Address</b>	:	sacheta@sacheta.com,
<b>Website address</b>	:	www.sacheta.com

**Tentative Calendar for the Financial Year ending March 31, 2019**

Sr. No	Particular of the Quarter	Tentative date
1	First Quarter Results	Within 45 days from the end of June Quarter.
2	Second Quarter & Half Yearly Results	Within 45 days from the end of September Quarter.
3	Third Quarter & Nine-months Results	Within 45 days from the end of December Quarter.
4	Fourth Quarter & Annual Results	Within 60 days from end of March Quarter.

**SHARE HOLDING PATTERN AS ON 31.3.2019**

Category	No. of Holders	No. of Shares	% of Holding
Promoter & Promoter Group	6	1,10,14,707	58.16
Financial Institution/Bank	1	1,971	0.01
Public:-			
Individual	1,726	48,09,377	25.39
Any other( Specify):-			
NRI	12	3,75,015	1.98
HUF	90	6,77,114	3.58
Clearing Members	37	2,71,013	1.43
Bodies Corporate	66	17,90,803	9.46
<b>Total</b>	<b>1,938</b>	<b>1,89,40,000</b>	<b>100.00</b>

**DISTRIBUTION OF SHAREHOLDING:**

Sr. No	Shareholding of Nominal Value	No. of Shareholders	No of Shares	% of Holding
1	Up to 5000	1,220	219249	1.16
2	5001-10,000	232	197699	1.04
3	10,001-20,000	135	216165	1.14
4	20,001-30,000	67	173257	0.91
5	30,001-40,000	33	117993	0.62
6	40,001-50,000	35	169331	0.89
7	50,001-100,000	76	592027	3.13
8	1,00,001 and above	140	17254279	91.10
<b>Total</b>		<b>1938</b>	<b>1,89,40,000</b>	<b>100</b>

**DIVIDEND**

The Board of Directors at their Meeting held on April 22, 2019, recommended dividend payout, subject to approval of the shareholders at the ensuing Annual General Meeting of Rs. 0.25/- per share, on equity shares of the Company for the Financial Year 2018-19. The Dividend shall be paid to the members whose names appear on Company's Register of Members on 21.09.2019. The dividend if declared at the Annual General Meeting shall be paid on or after September 30, 2019.

Dematerialisation of Shares The company's Equity shares are also in Dematerialization form with both NSDL and CDSL having ISIN Security Code No. INE433G01012.

**MEANS OF COMMUNICATIONS:**

The Quarterly Results and other statutory publications are being normally published in 'Lokmitra' (Gujarati) and 'Free Press Journal' (English).

Listing Details : BSE Ltd.  
Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai-400001

Stock Code : 531869  
ISIN allotted to Equity Shares : INE433G01012

Note: Listing fees for the year 2018-19 has been paid to BSE Ltd.

Timely disclosure of consistent, comparable, relevant and reliable information on corporate financial performance is at the core of good governance. Towards this end:

**Quarterly/Half Yearly/ Nine Monthly/ Annual Results:** The Quarterly, Half Yearly, Nine Monthly and Annual Results of the Company are intimated to the Stock Exchanges immediately after they are approved by the Board.

**Publication of Quarterly/ Half Yearly/Nine Monthly/ Annual Results:** The Quarterly, Half Yearly, Nine Monthly and Annual Results

of the Company are published in the prescribed proforma within 48 hours of the conclusion of the meeting of the Board in which they are considered, at least in one English newspaper circulating in the whole or substantially the whole of India and in one Vernacular newspaper of the State of Gujarat where the Registered Office of the Company is situated.

**Website:** The Company's website [www.sacheta.com](http://www.sacheta.com) contains a separate dedicated section "Investors" where information for shareholders is available. The quarterly/annual financial results, annual reports, stock exchange information, shareholding pattern, policies, investors' contact details, etc., are posted on the website in addition to the information stipulated under Regulation 46 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

**Stock market price data for the year at BSE Ltd.**

Month	Open	High	Low	Close	No. of Shares
Apr 18	45.00	49.70	36.60	42.60	186421
May 18	42.50	51.75	40.10	47.00	799939
Jun 18	48.00	59.00	44.80	50.70	575224
Jul 18	51.10	52.10	41.00	42.10	125060
Aug 18	43.40	54.10	38.00	47.20	323847
Sep 18	47.95	51.90	40.00	41.00	678480
Oct 18	41.00	45.50	29.00	39.90	6,86,997
Nov 18	41.45	50.60	38.05	47.85	6,55,882
Dec 18	50.20	54.00	45.30	48.15	6,17,527
Jan 19	49.35	53.60	40.00	47.75	15,45,550
Feb 19	49.25	49.25	31.20	38.55	13,07,740
Mar 19	39.00	43.00	18.30	19.15	58,03,504

**Non-Compliance of any Requirement of Corporate Governance:**

There are no instances of non-compliance of any requirement of Corporate Governance Report as mentioned in sub-paras (2) to (10) of Para (C) of Schedule V. The Company has been regularly submitting the quarterly compliance report to the Stock Exchanges as required under Regulation 27 of the SEBI (LODR Regulations) 2015.

Details about the outstanding Global Depository receipts or American depository receipts or warrants or any convertible instruments, conversion date and likely impact on equity- The Company has not issued any ADR/GDR

<b>Registrar and Transfer Agent:</b>	Purva Shareregistry India Pvt. Ltd., Unit: Sacheta Metals Limited, Gala No. 9, Shiv Shakti Industrial Estate, Sitaram Mill Compound, J. R. Boricha Marg, Mumbai – 400011
<b>Share Transfer System</b>	Registrar and transfer Agent carry out share transfer activities and compliance with as per the prevailing Act.
<b>Investors Services:</b>	Complaints received during the year is mentioned in Corporate Governance report.
<b>Plant Location</b>	Block No. 33 Sacheta Udyog Nagar, Vill: Mahiyal, Tal: Talod, Dist: Sabarkantha, Gujarat 383215
<b>Address for correspondence</b>	1) Shareholders correspondence should be addressed to our Registrars and Share Transfer Agents at the address mentioned above.  2) Sacheta Metals Limited Block No. 33 Sacheta Udyog Nagar, Vill: Mahiyal, Tal: Talod, Dist: Sabarkantha, Gujarat 383215  3) Sakseria Industrial Estate, Chincholi B/h Hanuman Temple, S. V. Road, Malad(w), Mumbai-400064  Email ID for investors' correspondence and redressal of their grievances and complaints. Email: <a href="mailto:sachet@sacheta.com">sachet@sacheta.com</a> , <a href="mailto:Investors.grivences@sacheta.com">Investors.grivences@sacheta.com</a>

**OTHER INFORMATION:****Corporate Benefits to Shareholders:****Dividend declared for the last 7 years:**

FINANCIAL YEAR	DIVIDEND PER SHARE	DIVIDEND RATE
2017-18	0.25	2.5%
2016-17	0.25	2.5%
2015-16	0.15	1.5%
2014-15	0.15	1.5%
2013-14	0.25	2.5%
2012-13	0.25	2.5%
2011-12	0.25	2.5%

**Unclaimed Dividends:**

The Ministry of Corporate Affairs ('MCA') has notified the provisions of section 124 of the Companies Act, 2013 ('Act, 2013') and the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("IEPF RULES") w.e.f 7th September, 2016.

Under Section 124 (5) of the Companies Act, 2013, dividends that are unclaimed/un-paid for a period of seven years, are to be transferred statutorily to the Investor Education and Protection Fund (IEPF) administered by the Central Government.

Pursuant to Section 124 (5) of the Companies Act, 2013, the unpaid dividends that are due for transfer to the Investor Education and Protection Fund are as follows:

Financial Year	Total unclaimed Dividend Amount	Date of Declaration of Dividend	Last date for claiming Unclaimed Dividend
2017-18	50240	29.09.2018	28.10.2025
2016-17	52202	29.09.2017	28.10.2024
2015-16	36312	28.09.2016	27.09.2023
2014-15	32197	30.09.2015	29.09.2022
2013-14	34489	30.09.2014	29.09.2021
2012-13	54459	28.09.2013	27.09.2020
2011-12	50928	29.09.2012	28.09.2019

Members who have not en-cashed their dividend warrants pertaining to the aforesaid years may approach the Company or its Registrar, for obtaining payments thereof at appropriate time before they are due for transfer to the said fund.

**Share transfer system:**

Shares in physical form for transfer, should be lodged with the office of the Company's Registrar & Share Transfer Agent, Purva Shareregistry India Pvt. Ltd., Unit: Sacheta Metals Limited, Gala No. 9, Shiv Shakti Industrial Estate, Sitaram Mill Compound, J. R. Boricha Marg, Mumbai - 400011 or at their branch offices at the addresses given above or at the registered office of the Company. The transfers are processed if found to be in order and complete in all respects. As per directives issued by SEBI, it is compulsory to trade in the Company's equity shares in dematerialised form.

## ANNEXURE - IV

## Report on Conservation of energy, Technology adsorption and Foreign Exchange Earnings &amp; Outgo:

## A. CONSERVATION OF ENERGY

## (i) Steps taken or impact on conservation of energy:

The employees engaged in process, production, general maintenance undertake activities which are aimed at improvements in following areas.

- Energy conservation
- Capacity utilization
- Improvement in safety
- Maintenance and reliability in plant.

## (ii) Steps taken by the company for utilizing alternate sources of energy:

The company has installed Gas Pipe Line as alternate sources of energy. The company is planning to set up solar plant at factory as an alternate source of energy.

## (iii) Capital investment on energy conservation equipments:

The company has made capital investment: - NIL

Total energy consumption and energy consumption per unit of production is mentioned herein below:

Sr No.	Particulars	2018-19	2017-18
<b>POWER AND FUAL CONSUMPTION:</b>			
1	A-Purchase of UGVCL Units	2109135	1953855
	Total Amount ..... Rs	17567198	16356178
	Rate / Unit ..... Rs	8.33	8.37
	B- Own Generation Unit	0.00	0.00
2	Coal (Grade C & D) and Lignite:		
	Coal ..... Kg	-	51120
	Total Amount ..... Rs	-	620536
	Rate / Unit ..... Rs	-	12.14
3	Furnance Oil in Ltr	102315	176880
	Total Amount ..... Rs	3867089	4961291
	Rate / Unit ..... Rs	37.79	28.05
4	Fire Wood in Kg	20550	17255
	Total Amount ..... Rs	92592	69020
	Rate / Unit ..... Rs	4.51	4.00
5	Gas in MMBTU	3120.405	2211.493
	Total Amount ..... Rs	3501212	2511999
	Rate / Unit ..... Rs	1122.03	1135.88
6	Details of consumptions per unit of production		
		<b>2018-19</b>	<b>2017-18</b>
	Energy	Consumption Total Units	Consumption Units
		Consumption per unit (Qt in MT) Production	Consumption per unit (Qt in MT) Production
	1. Electricity-unit	2109135	1953855
		543.83	503.79
	2. Coal & Lignite Kg	-	51120
		-	13.18
	3. Furnance Oil Ltr	102315	176880
		26.38	45.61
	4. Fire Wood Kg	20550	17255
		5.30	4.45
	5. Gas in MMBTU	3120.405	2211.493
		0.80	0.57

## B. Technology Absorption:

- (i) The technology adopted is indigenus and hence there is no question of absorption of Technology.
- (ii) Expenditure incurred on Research and Development: the company has incurred a revenue expenditure of Rs. 420773 and capital expenditure of Rs. 341195 on account of research & development.

## C. Foreign Exchange Earning/Outgo:

Activities relating to exports, initiatives taken to increase export, development of new export market for products and service and export plans.

Particulars	RS. in Lacs
1. Earning in Foreign Currency	5350.13
2. Expenditure in Foreign Currency	2966.47

**ANNEXURE - V**  
**PARTICULARS REGARDING EMPLOYEES REMUNERATION**

As required under Section 197 (12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

- a. The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the financial year 2018-19, ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2018-19 and the comparison of remuneration of each Key Managerial Personnel (KMP) against the performance of the Company are as under:

Sr. No.	Name and Designation of Director/KMP	Remuneration for F.Y.2018-19 Rs. In Lakh	% Increase in remuneration during the year	Ratio to Median to Remuneration
1.	Mr. Satish K. Shah Managing Director	4.80	14.29	2.69
2.	Mrs.Chetnaben S. Shah Jt. Managing Director	3.00	25	1.68
3.	Mr. Ankit S. Shah Executive Director	4.20	16.67	2.35
4.	Mr. Pranav S. Shah Executive Director	3.60	20.00	2.02
5.	Mr. D. K. Patel CFO	2.30	10.00	NA
6.	*Mr. Abbasali Sunasara	0.36	NA	NA
7.	**Ms. Payal Chhabria	0.86	NA	NA

\* 01.04.2018 to 29.05.2018

\*\*22.09.2018 to 31.03.2019

- b. The percentage increase in the median remuneration of employees in the financial year: 10.00 percent  
c. The number of permanent employees on the rolls of Company: 189

List of top ten employee in terms of remuneration drawn during the year 2018-19 and various details to them (Pursuant to Section 197(12) of the Companies Act 2013 and rules 5(2) and 5(3) of the Companies Act 2013 (Appointment and Remuneration of Managerial Personnel) Rules, 2014)

Sr. No.	Name	Designation	Gross Remuneration(Rs.)	Date of joining	Age
1	Atulkumar Shah	Administration	206514	01/07/09	52
2	Ishwarbhai Prajapati	Administration	174068	01/01/08	45
3	Girishbhai Patel	Supervisor	166222	01/04/10	54
4	Arvindbhai Jani	Supervisor	161355	01/05/96	56
5	Tejal Gandhi	Supervisor	158720	01/07/15	37
6	Mahendrakumar Patel	Supervisor	142441	01/07/09	56
7	Hiteshkumar Raval	Supervisor	138769	01/11/11	34
8	Nareshkumar Vinubhai Chauhan	Supervisor	130073	01/03/12	48
9	Mayurbhai Shah	Supervisor	128202	01/01/10	36
10	Sanketkumar Punambhai Patel	Supervisor	110982	01/01/13	27

**Notes:-**

- None of the above employee is relatives of any Directors of the Company.
- None of the Employee hold 2 % or more of the paid-up Equity Shares Capital of the Company as per Clause (iii) of Sub-Rule (2) of Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014.
- All the above employees are permanent employee of the Company.

For and behalf of the Board  
**Satishkumar Shah**  
Managing Director



**FORM NO. MR-3  
SECRETARIAL AUDIT REPORT**

FOR THE FINANCIAL YEAR ENDED 31ST MARCH 2019

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

To,  
The Members,  
Sacheta Metals Limited  
Sacheta Udyognagar,  
Mahiyal, Talod,  
Gujarat

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

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on 31st March 2019, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March 2019 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 and The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, and amendments from time to time;
  - (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;(Not applicable to the Company during the audit period)
  - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; (Not applicable to the Company during the audit period)
  - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
  - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; (Not applicable to the Company during the audit period) and
  - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; (Not applicable to the Company during the audit period)

**OTHER APPLICABLE LAWS:**

- (I) The Environment (Protection) Act, 1986.
- (II) The Water (Prevention and Control of Pollution) Act, 1974.
- (III) The Air (Prevention and Control of Pollution) Act, 1981.
- (IV) Hazardous Wastes (Management & Handling) Rules, 2008.

**I have also examined compliance with the applicable clauses of the following:**

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.  
(ii) The SEBI (Listing obligations and Disclosure Requirements) Regulations, 2015.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

**I further report that**

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all 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.

As per the minutes, the decisions at the Board Meetings were taken unanimously.

**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.

For **Umesh Vyas & Associates**  
Company Secretaries

**Umesh Vyas**  
Proprietor  
ACS No. 32603  
CP No. 18313

**Ahmedabad, April 22, 2019**

**ANNEXURE-A**

To,

The Members

**Sacheta Metals Limited**

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

1. Maintenance of secretarial records is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and process 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. We believe that the process and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Where ever required, we have obtained the Management Representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedure on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For **Umesh Vyas & Associates**  
Company Secretaries

**Umesh Vyas**  
Proprietor  
ACS No. 32603  
CP No. 18313

**Ahmedabad, April 22, 2019**

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**INDEPENDENT AUDITORS' REPORT**

To,  
The Members,  
Sacheta Metals Limited,

**Report on the Financial Statements****Opinion**

We have audited the accompanying financial statements Sacheta Metals Limited which comprise the Balance Sheet as at 31 March 2019, the Statement of Profit and Loss (including Other Comprehensive Income), the statement of Changes in Equity and the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019, the profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

**Basis for opinion**

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

**Key audit matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined that there are no key audit matters to communicate in our report.

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

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

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

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

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

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

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

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

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

#### **Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

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

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

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

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

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

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

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

1. As required by Section 143(3) of the Act, based on our audit we report that :
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account.
  - d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - e) On the basis of the written representations received from the directors as on March 31, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2019 from being appointed as a director in terms of Section 164 (2) of the Act.

- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial
- g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:  
In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us :
- i. The Company has preferred an appeal against order of VAT Department for Financial Year 2008-09 for demand of Rs. 17,15,961/-. Against this demand the company has deposited entire VAT /CST of Rs. 17,15,961/-and preferred an appeal. The Company has preferred an appeal against Assessment order of Income Tax Department for A.Y. 2014-15 (F.Y. 2013-14) for demand of Rs. 63,01,192/-. Against this demand the company has deposited entire income tax of Rs. 63,01,192/-. However no provision for said liabilities are made in books of account. Except these there have not been any pending litigation.
  - ii. The Company did not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses
  - iii. There has been delay of 21 days for transfer of unpaid dividend to the Investor Education and Protection Fund for Financial Year 2010-11 by the Company.
2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the order.

**For Kiran & Pradip Associates.**

Chartered Accountants  
(FRN 112577W)

Place: Ahmedabad  
Date: April 22, 2019

Pradip Shah  
Partner  
M.No.035636

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**Annexure - A 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 Sacheta Metals Limited ("the Company") as of 31 March 2019 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 financial statements, whether due to fraud or error.

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

**Meaning of Internal Financial Controls over Financial Reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

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

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

**Opinion**

In our opinion, 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 March 2019, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India

**For Kiran & Pradip Associates.**

Chartered Accountants  
(FRN 112577W)

Place: Ahmedabad  
Date: April 22, 2019

Pradip Shah  
Partner  
M.No.035636

The **Annexure B'** referred to in paragraph 1 of the Our Report of even date to the members of Sacheta Metals Limited, on the accounts of the company for the year ended 31st March, 2019.

On the basis of such checks as we considered appropriate and in terms of information and explanations given to us, we state that:

- I.
  - a. The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
  - b. We have been informed that, the fixed assets have been physically verified by the Management at reasonable intervals. In our opinion, the frequency of verification is reasonable with regard to the size of the company and nature of assets. According to information and explanations given to us by the management, no material discrepancy was noticed on such verification.
  - c. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deed of immovable properties are held in name of company.
- II.
  - a. The inventory has been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable.
  - b. The procedure of physical verification of inventories followed by the management is reasonable and adequate in relation to the size of the company and the nature of its business.
  - c. The company is maintaining proper records of inventory. The discrepancies noticed on verification between physical stocks and book records were not material.
- III. The company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 189 of the Companies Act.
- IV. According to the information and explanation given to us, in our opinion the company has complied with provisions of Section 185 and 186 of the Companies Act with respect to loan and investment made
- V. According to the information and explanation given to us, the company has not accepted the any deposits from the public hence clause 3(v) of companies (auditor's Report) order 2016 is not applicable.
- VI. According to the information and explanation given to us the central government has not prescribed maintenance of cost records under sub-section (1) of section 148 of the Companies Act, 2013 in respect of the product dealt with by the company.
- VII.
  - (a) According to the information and explanation given to us and record examined by us, the undisputed statutory dues such as income tax and other dues have been regularly deposited with the appropriate authorities. There are no arrears of statutory dues for a period of more than six months.
  - (b) According to the information and explanation given to us there are no disputed dues pending before the authorities in respect of income tax and other statutory dues except against Gujarat VAT Department and Income Tax Department.
    - The Company has preferred an appeal against order of VAT Department for Financial Year 2008-09 for demand of Rs. 17,15,961/-. Against this demand the company has deposited entire VAT /CST of Rs. 17,15,961/-and preferred an appeal. The Company has preferred an appeal against Assessment order of Income Tax Department for A.Y. 2014-15 (F.Y. 2013-14) for demand of Rs. 63,01,192/-. Against this demand the company has deposited entire income tax of Rs. 63,01,192/-.

- VIII. According to the records made available to us and information and explanation given to us by the management, in our opinion the company has not defaulted in repayment of dues to a bank or financial institution.
- IX. The company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year hence clause 3(ix) of companies (auditor's Report) order 2016 is not applicable.
- X. According to the information and explanation given to us, no fraud by the company or on the company by its officers or employees has been noticed or reported during course of our audit.
- XI. According to the information and explanation given to us and based on our examination of the records of the company, the company has paid managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act.
- XII. According to the information and explanation given to us the company is not a nidhi company hence clause 3(xii) of companies (auditor's Report) order 2016 is not applicable.
- XIII. According to the information and explanation given to us and based on our examination of the records of the company, all transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the Financial Statements, as required by the applicable accounting standards.
- XIV. According to the information and explanation given 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 hence clause 3(xiv) of companies (auditor's Report) order 2016 is not applicable.
- XV. According to the information and explanation 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 hence clause 3(xv) of companies (auditor's Report) order 2016 is not applicable.
- XVI. The company is not required to be registered under section 45-IA of Reserve Bank of India Act 1934.

**For Kiran & Pradip Associates.**

Chartered Accountants  
(FRN 112577W)

Place: Ahmedabad  
Date: April 22, 2019

Pradip Shah  
Partner  
M.No.035636



## BALANCE SHEET AS AT MARCH 31, 2019

(Amount in Rupees)

Particulars	Note No.	Figures as at the end of current reporting period as 31/03/2019	Figures as at the end of the previous reporting period as at 31/03/2018
1	2	3	4
<b>(1) ASSETS</b>			
<b>Non-current assets</b>			
(a) Property, Plant and Equipment	4	9,02,05,699	9,49,89,000
(b) Financial Assets			
(i) Investments	5	5,900	5,900
(ii) Loans	6	2,22,26,416	81,43,826
(c) Other non-current assets	7	2,10,000	3,91,095
<b>(2) Current assets</b>			
(a) Inventories	8	12,16,25,889	12,57,59,530
(b) Financial Assets			
(i) Trade receivables	9	17,29,38,810	19,07,09,576
(ii) Cash and cash equivalents	10	6,21,02,490	14,46,57,171
(v) Loans	11	7,82,69,593	4,66,72,549
(c) Other current assets	12	16,25,887	7,49,334
<b>Total Assets</b>		<b>54,92,10,685</b>	<b>61,20,77,983</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
(a) Equity Share capital	13	18,94,00,000	18,94,00,000
(b) Other Equity	14	12,09,96,210	10,59,45,834
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
(a) Deferred tax liabilities (Net)	15	8,19,387	14,09,842
<b>Current liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings	16	17,86,73,390	24,01,74,480
(ii) Trade payables	17	5,15,06,026	6,93,42,525
(b) Other current liabilities	18	64,974	74,016
(c) Provisions	19	26,40,000	24,09,685
(d) Current Tax Liabilities (Net)	20	51,10,698	33,21,600
<b>Total Equity and Liabilities</b>		<b>54,92,10,685</b>	<b>61,20,77,983</b>

Notes Forming Part of Financial Statements

The accompanying Notes are an integral part of Financial Statements.

As per our report of even date attached.

**For Kiran & Pradip Associates**

Chartered Accountants

[Firm Reg. No. 112577W]

For And on behalf of the Board

**Pradip Shah**

[Partner]

M.No. 035636

Place : Ahmedabad

Dated : April 22, 2019

**SATISH K. SHAH**

[Managing Director]

DIN : 00237283

**CHETNABEN SHAH**

[Jt. Managing Director]

DIN : 00237410

## STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED ON MARCH 31, 2019

(Amount in Rupees)

Particulars	Note No.	Figures as at the current reporting period as at 31/03/2019	Figures as at the previous reporting period as at 31/03/2018
I Revenue From Operations	21	96,97,11,764	69,00,28,062
II Other Income	22	1,10,26,194	96,82,793
III Total Income (I+II)		98,07,37,958	69,97,10,855
IV <b>EXPENSES</b>	23	67,77,82,076	51,16,53,080
Cost of materials consumed			
Changes in inventories of finished goods, Stock-in -Trade and work-in-progress	24	-5,33,78,354	1,85,23,524
Employee benefits expense	25	3,52,72,901	2,74,20,141
Finance costs	26	66,41,820	60,13,272
Depreciation and amortization expense		1,47,28,277	1,65,11,229
Other expenses	27	27,12,18,786	9,17,25,605
Total expenses (IV)		95,22,65,506	67,18,46,851
V Profit/(loss) before exceptional items and tax (I- IV)		2,84,72,452	2,78,64,004
VI Exceptional Items		-	-
VII Profit/(loss) before tax (V-VI)		2,84,72,452	2,78,64,004
VIII Tax expense:			
(1) Current tax		83,13,596	1,00,30,104
(2) Deferred tax		-5,90,455	-7,52,433
IX Profit (Loss) for the period from continuing operations (VII-VIII)		2,07,49,311	1,85,86,333
X Profit/(loss) from discontinued operations		-	-
XI Tax expense of discontinued operations		-	-
XII Profit/(loss) from Discontinued operations (after tax) (X-XI)		-	-
XIII Profit/(loss) for the period (IX+XII)		2,07,49,311	1,85,86,333
XIV Other Comprehensive Income		-	-
A (i) Items that will not be reclassified to profit or loss			
(ii) Income tax relating to items that will not be reclassified to profit or loss			
B (i) Items that will be reclassified to profit or loss			
(ii) Income tax relating to items that will not be reclassified to profit or loss			
XV Total Comprehensive Income for the period (XIII+XIV)(Comprising Profit (Loss) and Other Comprehensive Income for the period)		2,07,49,311	1,85,86,333
XVI Earnings per equity share (for continuing operation):		1.10	0.98
(1) Basic			
(2) Diluted			
XVII Earnings per equity share (for discontinued operation):		-	-
(1) Basic			
(2) Diluted			
XVIII Earnings per equity share(for discontinued & continuing operations)		1.10	0.98
(1) Basic			
(2) Diluted			

## Notes Forming Part of Financial Statements

The accompanying Notes are an integral part of Financial Statements.

As per our report of even date attached.

**For Kiran & Pradip Associates**

Chartered Accountants

[Firm Reg. No. 112577W]

For And on behalf of the Board

**Pradip Shah**

[Partner]

M.No. 035636

Place : Ahmedabad

Dated : April 22, 2019

**SATISH K. SHAH**

[Managing Director]

DIN : 00237283

**CHETNABEN SHAH**

[Jt. Managing Director]

DIN : 00237410

**CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2019**

(Amount in Rupees)

Particulars	31st March, 2019	31st March, 2018
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit Before Tax and Extraordinary Items	2,84,72,452	2,78,64,004
Adjustments For :		
Depreciation	1,47,28,277	1,65,11,229
Loss/ (Profit) on Sale of Fixed Assets		-
Interest/ Dividend Income		(2,21,282)
Interest Charged	-25,00,666	60,13,272
<b>Operating Profit before Working Capital Changed</b>	<b>4,07,00,063</b>	<b>5,01,67,223</b>
Adjustment for :		
Trade & Other Receivables	1,77,70,766	8,12,21,157
Inventories	41,33,641	(4,84,36,191)
Loan (Current Assets)	(4,63,75,092)	(66,74,452)
Trade Payables	(1,78,36,499)	(1,27,76,764)
Other Current Liabilities	(9,041)	976
Provision	2,30,315	17,41,057
Current Tax Liabilities	(65,24,498)	15,87,421
<b>Cash Generated From Operations</b>	<b>(79,10,345)</b>	<b>6,68,30,427</b>
Taxes (Paid)/ Refund Received	-	(1,00,30,104)
	(79,10,345)	5,68,00,323
<b>Cash Flow before Extraordinary Items</b>		
Extraordinary Items	-	-
<b>Net Cash from Operating activities</b>	<b>(79,10,345)</b>	<b>5,68,00,323</b>
<b>B. CASH FROM INVESTING ACTIVITIES</b>		
<b>Purchase of Fixed Assets</b>	(99,44,977)	(1,03,98,540)
Sale of Fixed Assets	-	-
Interest/Dividend Received	-	2,21,282
<b>Net Cash used in Investing Activities</b>	<b>(99,44,977)</b>	<b>(1,01,77,258)</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Acceptance of Secured Loan	(6,15,01,090)	5,07,51,161
Dividends (Including Dividend Tax)	(56,98,935)	(56,98,935)
Interest Paid	25,00,666	(60,13,272)
<b>Net Cash used in Financing Activities</b>	<b>(6,46,99,359)</b>	<b>3,90,38,954</b>
Net (decrease) / Increase in Cash equivalents	(8,25,54,681)	8,56,62,019
<b>Cash and Cash Equivalents as AT 1.04.2018</b>	<b>14,46,57,171</b>	<b>5,89,95,152</b>
<b>Cash and Cash Equivalents as AT 31.03.2019</b>	<b>6,21,02,490</b>	<b>14,46,57,171</b>

Note: (i) Figures in Brackets represent outflows.

(ii) Previous year's figure were re-grouped necessary

Notes Forming Part of Financial Statements

The accompanying Notes are an integral part of Financial Statements.

As per our report of even date attached.

**For Kiran & Pradip Associates**

Chartered Accountants

[Firm Reg. No. 112577W]

For And on behalf of the Board

**Pradip Shah**

[Partner]

M.No. 035636

Place : Ahmedabad

Dated : April 22, 2019

**SATISH K. SHAH**

[Managing Director]

DIN : 00237283

**CHETNABEN SHAH**

[Jt. Managing Director]

DIN : 00237410

## Statement of Changes in Equity for the period ended on March 31, 2019

## A. Equity Share Capital

Particulars	(In ₹)	
	No	Amount
<b>Equity Shares of ₹ 10/- each issued, subscribed and fully paid</b>		
<b>Balance as on April 1, 2018</b>	18940000	189400000
Change in equity share capital during the year	-	-
<b>Balance as on March 31, 2019</b>	<b>18940000</b>	<b>189400000</b>

## B. Other Equity

	Securities premium account	Reserves and Surplus			Total
		Capital Reserve	General Reserve	Retained Earnings	
<b>Balance at the beginning of the reporting period April 01, 2018</b>	<b>67578750</b>	<b>1199190</b>	<b>6924401</b>	<b>30243493</b>	<b>105945834</b>
Total Comprehensive Income for the year				2,07,49,311	20749311
Dividends (including tax)				(5698935)	(5698935)
<b>Balance at the end of the reporting period March 31, 2019</b>	<b>67578750</b>	<b>1199190</b>	<b>6924401</b>	<b>45293869</b>	<b>120996210</b>

As per our report of even date attached.

## For Kiran &amp; Pradip Associates

Chartered Accountants  
[Firm Reg. No. 112577W]

## Pradip Shah

[Partner]  
M.No. 035636  
Place : Ahmedabad  
Dated : April 22, 2019

## SATISH K. SHAH

[Managing Director]  
DIN : 00237283

## CHETNABEN SHAH

[Jt. Managing Director]  
DIN : 00237410

For And on behalf of the Board

**1. COMPANY OVERVIEW**

Sacheta Metals Ltd (herein referred to as the company) is Public Limited Company established in the year 1990. The Registered Office and Manufacturing Unit of Company is situated at Sacheta Udyog Nagar, Opp.College, Mahiyal, TALOD-383215 Gujarat. Corporate Office is situated at the Business Capital Centre of India Mumbai @ Sakseria Industrial Estate, S.V.Road, Malad (West), Mumbai 400064 (INDIA). The company is one of the major manufacturers & exporters of Aluminium, Stainless and mild steel Houseware kitchenware Utensils - Casting - Sheet - Coils - Circles, Non Stick Cookware - Pressure Cooker, Foil Chaquered sheet, PP Caps / Slug & other Houseware & also Stainless Steel Kitchenware in India.

**2. BASIS OF PREPARATION AND MEASUREMENT****i. Statement of Compliance**

The financial statements as at end of the financial year ended March 31, 2019 have been prepared in accordance with Indian Accounting Standards ("Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

**ii. Accounting Convention and Basis of Measurement**

The financial statements have been prepared on the historical cost convention and on an accrual basis, except for the following material items that have been measured at fair value as required by relevant Ind AS:

- a. Certain financial assets and liabilities measured at fair value (refer accounting policy on financial instruments)
- b. Defined benefit and other long-term employee benefits.

**iii. Functional and Presentation Currency**

The financial statements are presented in Indian rupees, which is the functional currency of the Company and the currency of the primary economic environment in which the Company operates. All financial information presented in Indian rupees has been rounded to the nearest rupee except share and earning per share data.

**iv. Use of Judgements, Estimates and Assumptions**

The preparation of financial statements in conformity with Ind AS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses and the disclosure of contingent liabilities and assets. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on a periodic basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

Information about critical judgements in applying accounting policies, as well as estimates and assumptions in respect of the following areas, that have most significant effect to the carrying amounts within the next financial year are included in the relevant notes.

- a. Useful lives of property, plant, equipment and intangibles
- b. Measurement of defined benefit obligations
- c. Measurement and likelihood of occurrence of provisions and contingencies
- d. Recognition of deferred tax assets.
- e. Impairment of intangibles
- f. Expenditure relating to research and development activities.

**v. Operating Cycle**

Based on the nature of products / activities of the Company and the normal time between acquisition of assets and their realisation in cash or cash equivalents, the Company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

**3. SIGNIFICANT ACCOUNTING POLICIES****i. Property Plant and Equipment**

- a) Property Plant and Equipment are measured at cost less accumulated depreciation and impairment losses.
- b) The cost of property, plant and equipment includes those incurred directly for the construction or acquisition of the asset and directly attributable to bringing it to the location and condition necessary for it to be capable of operating in the manner intended by the management and includes the present value of expected cost for dismantling/ restoration wherever applicable.
- c) The cost of major spares is recognised in the carrying amount of the item of property, plant and equipment in accordance with the recognition criteria set out in the standard. The carrying amount of the replaced part is derecognised at the time of actual replacement. The cost of the day-to-day servicing of the item are recognised in statement of profit and loss account.
- d) Depreciation on all fixed assets is provided under written down value method over the useful life of assets specified in Part C of Schedule II to the Companies Act, 2013 and manner specified therein. Assets costing less than INR 5,000/- are fully depreciated in the year of purchase.

**ii. Intangible Assets**

- a) Intangible asset is recognised when it is probable that future economic benefits that are attributable to the asset will flow to the enterprise and the cost of the asset can be measured reliably. Expenditure incurred for creating infrastructure facilities where the ownership does not rest with the Company and where the benefits from it accrue to the Company over a future period is also considered as intangible asset.
- b) New product development expenditure, software licences, technical know-how fee, infrastructure and logistic facilities

etc., are recognised as intangible asset upon completion of development and commencement of commercial production

- c) Intangible assets are amortised on straight line method over their technically estimated useful life.
- d) Residual values and useful lives for all intangible assets are reviewed at each reporting date. Changes if any are accounted for as changes in accounting estimates.

### iii. Impairment of Asset

#### a) Financial Assets

Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

#### 1. Financial assets that are debt instruments and are measured at amortized cost whether applicable for e.g. loans debt securities, deposits, and bank balances.

#### 2. Trade Receivables

Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables which do not contain a significant financing component. The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

#### b) Non - financial assets

Company assesses at each reporting date whether there is any objective evidence that a non-financial asset or a group of non-financial assets is impaired. If any such indication exists, the Company estimates the amount of impairment loss.

### iv. Inventories

Items of inventories are valued at lower of cost or net realisable value after providing for obsolescence, if any. Cost of inventories comprises of cost of purchase, cost of conversion and other costs incurred in bringing them to their respective present location and condition. Cost of raw material is determined on FIFO method. Appropriate provisions will be made for non-moving / slow-moving items.

### v. Foreign Currency Transactions

- a) Transactions relating to non-monetary items and purchase and sale of goods / services denominated in foreign currency are recorded at the exchange rate prevailing or a rate that approximates the actual rate on the date of transaction.
- b) Assets and liabilities in the nature of monetary items denominated in foreign currencies are translated and restated at prevailing exchange rates as at the end of the reporting period.
- c) Exchange differences arising on account of settlement / conversion of foreign currency monetary items are recognised as expense or income in the period in which they arise.
- d) Foreign currency gains and losses are reported on a net basis.

### vi. Revenue Recognitions

Sales are recognised on dispatch of goods from the factory. In respect of export sales, the revenue is recognised on the basis of bill of lading. Miscellaneous sales are recognised on the basis of dispatch of goods. Other income such as interest etc., are recognised on accrual basis. Sales revenue is measured at fair value net of returns, trade discounts and volume rebates.

### vii. Employee Benefits

#### a) Short term Benefits

All employee benefits falling due wholly within twelve months of rendering the service are classified as short-term employee benefits. The cost of the benefits like salaries, wages, medical, short term compensated absences, bonus, exgratia etc., are recognised as an expense in the period in which the employee renders the related service.

#### b) Post-employment benefits

##### 1. Defined Contribution Plans

The contribution paid / payable under provident fund scheme, ESI scheme, and employee pension scheme is recognised as expenditure in the period in which the employee renders the related service.

##### 2. Defined Benefit Plans

The Company's obligation towards gratuity is a defined benefit plan. As there are frequent changes in workers/employees, the company record retirement benefits on cash basis.

### viii. Borrowing Cost

- a) Borrowing costs incurred for obtaining assets which take substantial period to get ready for their intended use are capitalised to the respective assets wherever the costs are directly attributable to such assets and in other cases by applying weighted average cost of borrowings to the expenditure on such assets.
- b) Other borrowing costs are treated as expense for the year.
- c) Significant transaction costs in respect of long-term borrowings are amortised over the tenor of respective loans using effective interest method.

### ix. Provision for Current and Deferred Tax

#### a) Current Tax

The tax currently payable is based on taxable profit for the year. Taxable profits differ from the profit as reported in the statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's current tax is calculated using tax rates that have been enacted or

substantially enacted by the end of the reporting period. In the event of tax computed as stated is less than the tax computed under section 115JB of the Income tax Act., 1961, provision for current tax will be made in accordance with such provisions.

b) **Deferred Tax**

Deferred tax is recognised on temporary differences between the carrying amount of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised.

The carrying amount of deferred tax asset is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

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

c) **Current and deferred Tax for the year**

Current and deferred tax are recognised in profit and loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

Deferred tax resulting from "timing difference" between taxable and accounting income is accounted for using the tax rates and laws that are enacted or substantively enacted as on the balance sheet date. Deferred tax asset is recognised and carried forward only to the extent there is reasonably certain that there will be sufficient future income to recover such Deferred Tax Asset.

x. **Minimum Alternate Tax Credit**

Minimum Alternate Tax Credit Entitlement is recognized in the books of account when there is convincing evidence that the Company will pay normal income tax during the specified period. The entitlement is reviewed at each balance sheet date with regard to the correctness of the carrying amount

xi. **Research and Development**

Research and Development Costs that are in the nature of tangible assets and are expected to generate probable future economic benefits are capitalised as tangible assets. Revenue expenditure on research and development is charged to the Statement of Profit and Loss in the year in which it is incurred.

xii. **Claims**

Claims by and against the Company, including liquidated damages, are recognised on acceptance basis.

## Note - 4 : Property Plant and Equipments

(Amount in Rs.)

S. N.	Descriptions	GROSS BLOCK				DEPRECIATION					NET BLOCK	
		Gross Carrying Value as at 01/04/2018	Addition during the year	Deduction during the year	Gross Carrying Value as at 31-03-19	Accumulated Depreciation as at 01/04/2018	Depreciation during the year	Written Off to be transferred to P&L	Accumulated Depreciation on Deletion	Accumulated Depreciation as at 31/03/2019	Carrying Value as at 31/03/19	Carrying Value as at 31/03/18
1.	Land	55,18,455	--	--	55,18,455	-	--	--	--	-	55,18,455	55,18,455
2.	Building	4,28,62,093	20,31,355	--	4,48,93,448	2,30,29,953	23,21,383	--	--	2,53,51,336	1,95,42,112	1,98,32,140
3.	Plant & Machinery	21,81,74,091	70,64,249	--	22,52,38,340	15,36,10,793	1,07,84,130	76,067	--	16,43,94,923	6,07,67,350	6,44,87,231
4.	Dies & Tools	66,64,055	3,41,195	--	70,05,250	59,72,912	1,49,768	--	--	61,22,680	8,82,570	6,91,143
5.	Other Fixed Assets	24,82,540	--	--	24,82,540	22,19,434	89,571	5,867	--	23,09,005	1,67,668	2,57,239
6.	Furniture & Fittings	23,28,490	1,79,369	--	25,07,859	13,87,842	2,83,784	--	--	16,71,626	8,36,233	9,40,648
7.	Vehicles	89,85,361	2,92,857	--	92,78,218	55,51,610	10,50,351	2,39,565	--	66,01,961	24,36,692	31,94,186
8.	Computers	20,34,443	35,952	--	20,70,395	19,66,485	49,291	--	--	20,15,776	54,619	67,958
	<b>TOTAL</b>	<b>28,90,49,528</b>	<b>99,44,977</b>	<b>--</b>	<b>29,89,94,505</b>	<b>19,37,39,029</b>	<b>1,47,28,278</b>	<b>3,21,499</b>	<b>--</b>	<b>20,84,67,307</b>	<b>9,02,05,699</b>	<b>9,49,89,000</b>
	<b>PREVIOUS YEAR</b>	<b>27,86,50,988</b>	<b>1,03,98,540</b>	<b>--</b>	<b>28,90,49,528</b>	<b>17,72,27,800</b>	<b>1,65,11,229</b>	<b>3,21,499</b>	<b>--</b>	<b>19,37,39,029</b>	<b>9,49,89,000</b>	<b>10,11,01,689</b>

(In `)

## Particulars

As at March 31, 2019 As at March 31, 2018

## Note - 5 : Investments

Unquoted Shares

Shares of Talod Nagrik Sahkari Bank  
(236 No. of Shares of Rs. 25/- each)

5,900

5,900

**Total****5,900****5,900**

## Note - 6 : Loans (Non Current Assets)

a. Security Deposits

Unsecured, considered good

2,22,26,416

81,43,826

**Total****2,22,26,416****81,43,826**

## Note - 7 : Other Non Current Assets

Capital Advances

Unsecured, considered good

2,10,000

3,91,095

**Total****2,10,000****3,91,095**

## Note - 8 : Inventories

Stock in Trade Account

(As taken, valued and certified by the Management)

Stores &amp; Spares

43,62,564

33,93,008

Raw Material

3,49,62,934

9,34,44,485

Finished Goods

8,23,00,391

2,89,22,037

**Total****12,16,25,889****12,57,59,530**

Note : Inventories are valued at Cost or Market Value Whichever is lower.

## Note - 9 : Trade Receivables

Unsecured, considered good unless stated otherwise

-considered good

17,29,38,811

19,07,09,577

-considered doubtful

**Total****17,29,38,811****19,07,09,577**

Provision for doubtful receivables

-

-

**Total****17,29,38,811****19,07,09,577**



Particulars	As at March 31, 2019	As at March 31, 2018
<b>Note - 10 : Cash and Cash Equivalent</b>		
a. Cash on hand	2,27,480	3,52,850
b. Balances with Banks		
In Current Account	3,10,99,797	7,87,076
Balances held as margin money deposits against borrowings	3,07,75,213	14,35,17,246
	<b>6,21,02,490</b>	<b>14,46,57,171</b>

Cash and Cash equivalent as at March 31, 2019 and March 31, 2018 include restricted Cash and Bank Balance of Rs. 30775213 and Rs. 143517246 respectively. The restrictions are primary on account of bank balances held as margin money deposits against guarantees, buyers credit and bank overdraft.

The deposit maintained by the Company with Banks and Financial Institution comprise time deposit which can be withdrawn by the Company at any time without prior notice or penalty on the principle

**Note - 11 : Loans Current Assets****Unsecured :**

Advances for Expenses	33,31,690	61,60,143
Advances for Goods	1,52,19,878	56,38,737
Other Advances	92,808	-
Advance with Authority	5,96,25,217	3,48,73,668
<b>Total</b>	<b>7,82,69,593</b>	<b>4,66,72,549</b>

Note : Advance with Tax Authority is inclusive of VAT and Income Tax Paid which is disputable and for which appeal are pending with concerned authorities

**Note - 12 : Other Current Assets**

Interest Accrued On Deposit	15,20,387	3,24,440
Prepaid Expenses	1,05,500	4,24,894
<b>Total</b>	<b>16,25,887</b>	<b>7,49,334</b>

**Note - 13 : Share Capital****a. The Authorised, Issued, Subscribed and fully paid up share capital are as follows:****Authorised Share Capital**

2,50,00,000 Equity Shares of Rs. 10/- Each (P.Y. 2,50,00,000)	25,00,00,000	25,00,00,000
	<b>25,00,00,000</b>	<b>25,00,00,000</b>

**Issued, Subscribed & Paid up Share Capital**

1,89,40,000 Equity Shares of Rs. 10/- Each	18,94,00,000	18,94,00,000
4485000 Shares Issued During the Year 2011-12		
6562500 Shares Incl 107500 Forfeited Shares issued on Preferential Basis During 2010-2011		
2661700 Shares issued on Preferential Basis during the year 2007-08		
<b>Total</b>	<b>18,94,00,000</b>	<b>18,94,00,000</b>

**b. Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting period**

(Amount in Rs.)

Particulars	31st March 2019		31st March 2018	
	Number	Amount	Number	Amount
Shares Outstanding at the Beginning of the Year	18940000	189400000	18940000	189400000
Add: Shares Issued During the Year	-	-	-	-
Reissue of Forfeited Shares	-	-	-	-
Issue and allotted on Preferential basis	-	-	-	-
Less: Share brought back during the year	-	-	-	-
Shares Outstanding at the end of the Year	18940000	189400000	18940000	189400000

**c. Terms / Rights attached to equity shares**

The Company has Equity Shares having a par value of Rs. 10 per share. Each holder of Equity Share is entitled to one vote per share.

**d. Shares in the company held by each shareholder holding more than 5 percent shares specifying the number of shares held**

(Amount in Rs.)

Particulars	31st March 2019		31st March 2018	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Mr Satish K. Shah	40,73,707	21.51	41,70,370	22.02
Mrs. Chetnaben S Shah	32,17,226	16.99	31,32,720	16.54
Mr. Ankit S. Shah	19,90,442	10.51	18,36,973	9.70
Mr. Pranav S Shah	16,29,632	8.60	15,17,613	8.01

(In `)

**Particulars****As at March 31, 2019****As at March 31, 2018****Note - 14 : Reserves & Surplus****a. Capital Reserves**

Opening Balance	11,99,190	11,99,190
(+) Current Year Transfer		
(-) Written Back in Current Year		
<b>Closing Balance</b>	<b>11,99,190</b>	<b>11,99,190</b>

**b. Securities Premium Account**

Opening Balance	6,75,78,750	6,75,78,750
Add : Securities premium credited on Share issue		
<u>Less : Premium Utilised</u>		
<b>Closing Balance</b>	<b>6,75,78,750</b>	<b>6,75,78,750</b>

**C. General Reserve**

Opening Balance	69,24,401	69,24,401
Add : Current Year		
<u>Less : Utilised</u>		
<b>Closing Balance</b>	<b>69,24,401</b>	<b>69,24,401</b>

**D. Deficit/ Surplus in the Statement of Profit and Loss**

Balance of Surplus in the statement of changes in equity	4,52,93,869	3,02,43,493
Less: Adjustment for Depreciation		
<b>Closing Balance</b>	<b>4,52,93,869</b>	<b>3,02,43,493</b>
<b>Total</b>	<b>12,09,96,210</b>	<b>10,59,45,834</b>

**Note - 15 : Deferred Tax Liabilities :**

<b>Deferred Tax Calculation</b>	<b>2018-19</b>	<b>2017-18</b>
WDV As Per IT	8,70,54,210	9,04,26,404
WDV As Per Companies Act	9,02,05,699	9,49,89,000
Deferred Tax Liability	<b>-31,51,489</b>	<b>-45,62,596</b>
Prior Period Exps (Net of Income)		
Net Deferred Tax Liability	<b>-31,51,489</b>	<b>-45,62,596</b>
TAX RATE	0.2600	0.3090
Deferred Tax Liability	<b>-8,19,387</b>	<b>(14,09,842)</b>
Balance As Per Account	14,09,842	21,62,275
Deferred Tax Liability	8,19,387	14,09,842
Deferred Tax Income	<b>5,90,455</b>	<b>7,52,433</b>

<b>Particulars</b>	<b>As at March 31, 2019</b>	<b>As at March 31, 2018</b>
<b>Note - 16 : Borrowings</b>		
<b>Secured :</b>		
HDFC Bank OD (Against Fixed Deposit)	-	4,35,43,456
HDFC Car Loan	-	-
Buyers Credit (Against Fixed Deposit)		6,81,06,356
Supplier's Credit	2,11,39,040	-
Letter of Credit	2,85,59,084	-
STATE BANK OF INDIA OD (Against Fixed Deposit)	-	8,62,216
Cash Credit	1,94,527	59,30,425
Packing Credit	12,85,22,135	9,46,32,028
<b>Sub Total</b>	<b>17,84,14,786</b>	<b>21,30,74,480</b>
<b>Unsecured :</b>		
Loan From Directors	2,58,604	2,71,00,000
<b>Sub Total</b>	<b>2,58,604</b>	<b>2,71,00,000</b>
<b>Total</b>	<b>17,86,73,390</b>	<b>24,01,74,480</b>

**Note :** - (Working Capital Advances from SBI Mumbai are secured by HYPOTHECATION / PLEDE OF Companies entire Goods. Movable & other Assets Such as book Debts Outstanding Monies, Receivable, claims. Bills. Invoice, Documents, Contracts, Securities, Investments, & Rights all presents and future secured by : 1.Equitable Mortgage of Company's factory, C & B at block No. 33, Village Mahiyal. Talod (2) Hypothecation of Entire movable Machinery of the Company ). Mr. S.K.Shah & Mrs. C.S.Shah, directors of Company gave personal Guarantee.

**Note - 17 : Trade Payables**

Sundry Creditors - Clients	1,35,38,911	1,34,24,534
Sundry Creditors - Expenses	83,34,460	2,38,29,120
Sundry Creditors - Capital Goods	1,00,851	24,11,054
Advance Recd for Goods	2,78,29,758	2,96,77,817
Sundry Creditors - Others	17,02,045	-
<b>Total</b>	<b>5,15,06,026</b>	<b>6,93,42,525</b>

**Disclosure for FY2017-18 :** Company has no information as to whether any of its vendors constitute a "Supplier" within the meaning of Section 2 (n) of the Micro, Small and Medium Enterprises Development Act, 2006 as no declarations were received under the said Act from them. And for FY 2018-19 total outstanding dues of Micro and Small Enterprise Suppliers is Rs. 118808/- out of total creditors of Rs. 51506026/-

Particulars	As at March 31, 2019	As at March 31, 2018
<b>Note - 18 : Other Current Liabilities</b>		
Statutory Liabilities	64,974	74,016
<b>Total</b>	<b>64,974</b>	<b>74,016</b>
<b>Note - 19 : Provisions</b>		
<b>(a) Provision for employee benefits</b>		
Salary & Reimbursements		
<b>(b) Others</b>		
Provision for Proposed Dividend		
Provision for Dividend Distribution Tax		
Provision for Other Expenses	26,40,000	24,09,685
<b>Total</b>	<b>26,40,000</b>	<b>24,09,685</b>
<b>Note - 20 : Current Tax Liabilities (Net)</b>		
<b>Current Tax Liabilities</b>		
Provision for Income Tax	83,13,596	1,00,30,104
Current Tax Assets		
Advance Income Tax	28,50,000	60,00,000
TDS And TCS Receivable	3,52,898	7,08,504
<b>Total (Net)</b>	<b>51,10,698</b>	<b>33,21,600</b>
<b>Note - 21 : Revenue from Operations</b>		
<b>Income From Operation</b>		
Export Sales	53,50,13,180	37,84,21,870
Local Sales	40,46,48,268	30,14,49,310
Less : GST**		
<b>A</b>	<b>93,96,61,448</b>	<b>67,98,71,180</b>
Export / License / DEPB Incentive	2,75,49,650	32,48,873
Discount Income		
Interest on Incidental Fixed Deposit	25,00,666	69,08,009
<b>B</b>	<b>3,00,50,316</b>	<b>1,01,56,882</b>
<b>Total Revenue From Operation (A+B)</b>	<b>96,97,11,764</b>	<b>69,00,28,062</b>
** Sales shown as net of GST, Credit/Utilisation of Excise Duty Pass/ Rotate Through Balance Sheet.		
<b>Note - 22 : Other Income</b>		
Other Income	1,10,26,194	96,82,793
<b>TOTAL OTHER INCOME</b>	<b>1,10,26,194</b>	<b>96,82,793</b>
<b>Note - 23 : Cost of Material Consumed</b>		
<b>A). Raw Material Consumption</b>		
Opening stock	9,34,44,485	2,71,75,357
Add: Purchases	58,39,26,747	55,64,48,399
	<b>67,73,71,232</b>	<b>58,36,23,756</b>
Less: Closing stock	3,49,62,934	9,34,44,485
<b>C</b>	<b>64,24,08,298</b>	<b>49,01,79,271</b>

Particulars	As at March 31, 2018	As at March 31, 2017
<b>B). Consumption of stores</b>		
Opening stock	33,93,007	27,02,422
Add: Purchases	3,63,43,335	2,21,64,395
	<b>3,97,36,342</b>	<b>2,48,66,817</b>
Less: Closing stock	43,62,564	33,93,008
<b>D</b>	<b>3,53,73,778</b>	<b>2,14,73,809</b>
<b>Total Raw Material Consumption ( C + D )</b>	<b>67,77,82,076</b>	<b>51,16,53,080</b>
<b>Note - 24 : Changes In Inventories</b>		
Closing Stock of Finished	8,23,00,391	2,89,22,037
Semi Finished		
	<b>8,23,00,391</b>	<b>2,89,22,037</b>
Less: Opening Stock of Finished & Semi Finished Goods	2,89,22,037	4,74,45,561
<b>Increase / Decrease in Inventories</b>	<b>-5,33,78,354</b>	<b>1,85,23,524</b>
<b>Note - 25 : Employee Benefit expense</b>		
Salaries & Wages ( Factory)	2,64,35,211	1,91,14,733
Salaries & Wages ( Back Office)	21,27,152	18,26,410
Bonus To Workers	15,00,000	16,19,059
Leave Salary	10,50,000	7,17,288
Medical Expenses	1,13,789	52,694
Staff Welfare	17,04,073	14,31,713
Gratuity Expenses	6,17,387	7,27,286
Festival Expenses	1,65,289	3,40,496
Directors' Remuneration	15,60,000	15,90,462
<b>Total Employee Benefit Expenses</b>	<b>3,52,72,901</b>	<b>2,74,20,141</b>
<b>Note - 26 : Financial Expenses</b>		
Bank Interest	66,41,405	60,13,272
Other Interest Exps	415	-
<b>Total</b>	<b>66,41,820</b>	<b>60,13,272</b>
<b>Note - 27 : Other Expenses</b>		
Charity & Donations	1,09,461	2,65,061
<b>Total</b>	<b>1,09,461</b>	<b>2,65,061</b>
<b>Manufacturing Expenses</b>		
Electricity Expenses	1,68,43,612	1,73,72,171
Inward Freight	60,38,926	58,62,019
Polution Expense	49,293	48,649
Security Expenses	8,17,597	6,54,035
Clearing Charges	14,88,746	11,89,204
Custom Duty Exps	12,45,727	11,46,340
Detention Exps	16,10,464	56,623
Excise MOT charges	-	42,612
Labour Charges	99,70,429	50,25,418
<b>Total manufacturing Expenses</b>	<b>3,80,64,794</b>	<b>3,13,97,071</b>

**Administrative, Selling and Distribution**

Administration expenses		
Auditors' Remuneration	90,000	90,000
Bank Commission and Charges	39,46,146	31,82,613
Building Repairs & Maintenance	3,52,244	3,28,376
Computer Repairing Exps	1,59,526	2,84,410
Commission Expense	1,21,53,260	1,83,73,473
Electricity Charges	12,64,086	9,38,184
Export Shipping Freight	1,09,64,460	1,16,88,680
Factory Expenses	-	5,750
Insurance Charges	17,41,816	19,59,301
Import Expenses	-	21,86,935
Legal & Professional Charges	10,78,147	11,33,632
Machinery Repairs & Maintenance	13,87,398	10,73,096
Loss on Hedging Transaction	17,17,80,384	3,23,241
Office Exps.	3,58,155	2,83,648
Rent, Rates and Taxes	1,61,760	1,56,000
Travelling Expense	17,35,438	21,32,258
Other Administration Exps	2,53,25,931	1,55,25,079
Advertisement Exp	2,75,115	1,57,411
Business Promotion Expenses	2,70,665	2,41,385
<b>Total Administrative, Selling and Distribution Expenses</b>	<b>23,30,44,531</b>	<b>6,00,63,473</b>
<b>Total Other Expenses</b>	<b>27,12,18,786</b>	<b>9,17,25,604</b>

**Note - 28 : Disclosure as per Schedule III of the Act and Ind AS-37 on Provisions, Contingent Liabilities and Contingent assets**

Contingent Liabilities Not Provided for

Sr.No	Particulars	As at 31/03/2019	As at 31/03/2018
1.	Income Tax	6301192	6301192
2.	VAT & CST	1715961	1715961

**Note - 29 : Disclosure as per Ind AS-19 - Employee benefits**

Defined Contribution Plan

Contribution to defined Contribution Plan includes Provident Fund. The expenses are recognized for the year as under.

Particulars	2018-19	2017-18
Employer's Contribution to Provident Fund	2091301	1942743

Defined Benefit Plan

The Company operates gratuity plan wherein every employee is entitled to the benefit equivalent to 15 days/one month salary last drawn for each completed year of service depending on the date of joining. The same is payable on termination of service, retirement or death, whichever is earlier. The benefit vests after 5 years of continuous service. As there are frequent changes in workers/employees, the company record retirement benefits on cash basis.

**Note - 29: Disclosure as per Ind AS - 33 Earning per Share:**

Particulars	As at 31/03/2019	As at 31/03/2018
Profit available for Equity Share holders	20749311	18586333
Weighted average number of shares	18940000	18940000
Earning per Share Basic and Diluted	1.10	0.9813
Face Value per Share	10	10

**Note- 31: Disclosure as per Ind AS-108 Operating segments:**

The Company operates mainly in manufacturing of Aluminium Products and all other activities are incidental thereto, which have similar risk and return. Accordingly, there are no separate reportable Segment as required under Ind AS 108 " Operating Segment. The Company has identified geographical segments based on location of customers as reportable segments in accordance with Ind AS 108 issued by ICAI.

## Segment Revenue

Geographical Location	2018-19		2017-18	
	Amt	%	Amt	%
Domestic	404648268	43.06	301449310	44.34
International	535013180	56.94	378421870	55.66
Total	939661448		679871180	

**Note -32: Information on Dividend for the Year**

Dividends proposed or declared after balance sheet date but before the financial statement have been approved by the Board of Directors for issue are not recognized as a liability at the balance sheet. However when the company published result to BSE, the company had made provision for proposed dividend which is later on rectified and to that extent balances of other equity and provisions are differed.

**Note- 33: Disclosure as per Ind As-24- Related Party Disclosures related party disclosures as required under Ind AS 24, "Related Party Disclosures", are given below:**

## Relationship :

EskayAlluminium Pvt. Ltd.	Company Under the same Management
P.D.R. Casting Industries	Proprietorship concern of a Director, Chetnaben Shah
PDR Metal Industries	Proprietorship concern of a Director, Satishkumar K. Shah
Sacheta International	Proprietorship concern of a Director, Satishbhai K. Shah
Suryoday Trading Co.	Proprietorship concern of a Director, Shalini Shah
Sacheta Commodities & Finance co	Proprietorship concern of a Director, Satishbhai
Key Management personnel	Shri Satish K. Shah Chairman Cum Managing Director
	Smt. Chetana S. Shah - Jt. Managing Director
	Ankit S. Shah - Executive Director
	Pranav S. Shah- Executive Director

## Details relating to Persons referred to in item 1(i to vi).

Name of Related Party	Nature of transaction	Rs. In Lacs	2018-19	Rs. In Lacs	2017-18
P.D.R Casting Industries	Rent		0.96		0.96
P.D.R Casting Industries	Sales		1.79		15.56
P.D.R Casting Industries	Purchase		-		98.54
PDR Metal Industries	Purchase		11.61		-
PDR Metal Industries	Sales		9.11		-
EskayAlluminium Pvt Ltd	Purchase		26.00		48.19
EskayAlluminium Pvt Ltd	Job Work Charges		72.62		6.24
EskayAlluminium Pvt Ltd	Sales		143.03		13.24
Sacheta International	Rent		0.60		0.60
Suryoday Trading Co.	Sale		-		143.72
Suryoday Trading Co.	Commission		-		1.51
Suryoday Trading Co.	Purchase		-		23.86
Satish K. Shah	Remuneration		4.80		4.20
Chetna Shah	Remuneration		3.00		2.40
Ankit Shah	Remuneration		4.20		3.60
Pranav Shah	Remuneration		3.60		3.00

**Balances (Receivable) at the end of year with Related Parties**

Name of Related Party	As at 31/03/2019	As at 31/03/2018
P.D.R Casting Industries	-	2.12
Sacheta Commodities and Finance	257.00	(271.00)
EskayAlluminiumPvt Ltd	0.13	36.31
Suryoday Trading Co	-	-

**Balances (Payable) at the end of year with Related Parties**

Name of Related Party	As at 31/03/2019	As at 31/03/2018
P.D.R Casting Industries	0.08	-
Sacheta International	0.25	3.00
Satish K. Shah	0.81	0.35
Chetnaben Shah	0.40	0.20
Ankit Shah	0.80	0.30
Pranav Shah	0.57	0.25

**Note -34 : Payment to Auditors includes :**

Particulars	2018-19	2017-18
Audit Fees	70000	70000
Tax Audit Fees	8000	8000
For Taxation Matters	12000	12000
<b>Total</b>	<b>90000</b>	<b>90000</b>

**Note -35: Research & Development Expenditure****Research & Development Expenditure incurred is set out below**

Sr. No	Particulars	2018-19	2017-18
1.	Capital Expenditure	341195	94550
2.	Revenue Expenditure	420773	282802

**Note -36: Previous year figures as per previous GAAP have been regrouped / re arranged / reclassified wherever considered necessary to conform to the classifications / disclosures of the current year**

Notes Forming Part of Financial Statements  
The accompanying Notes are an integral part of Financial Statements.  
As per our report of even date attached.

**For Kiran & Pradip Associates**

Chartered Accountants  
[Firm Reg. No. 112577W]

**Pradip Shah**  
[Partner]  
M.No. 035636  
Place : Ahmedabad  
Dated : April 22,2019

For And on behalf of the Board

**SATISH K. SHAH**  
[Managing Director]  
DIN : 00237283

**CHETNABEN SHAH**  
[Jt. Managing Director]  
DIN : 00237410



# SACHETA METALS LIMITED

CIN: L27100GJ1990PLC013784

Registered Office: Block No 33 Sacheta Udyognagar, Vill-Mahiyal, Tal-Talod, Sabarkantha-383215.

Website: www.sacheta.com - Tel: 02770-221739 - Fax : 0091 2770 220839

Dear Shareholder(s),

Sub: Service of Documents through Electronic Mode

Your Company is making an effort to build a greener world and we request your support.

You are requested to subscribe to a soft copy of the Company's various documents like Notices of Meetings, Annual Reports and other shareholder communication by registering your email id with your Depository Participant (DP)/Company, if you have not already done so. You are also requested to keep your DP/Company informed of any change in your email id.

With this one small action, you could leave a greener legacy for future generations.

We look forward to your support.

Thanking you,

# SACHETA METALS LIMITED

CIN: L27100GJ1990PLC013784

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Website: www.sacheta.com - Tel: 02770-221739 - Fax : 0091 2770 220839

## ATTENDANCE SLIP

PLEASE COMPLETE THIS ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE AUDITORIUM

Name and address of the registered member	:	
Folio No./DP ID No./ Client ID No.	:	
No. of Shares	:	

I HEREBY RECORD MY PRESENCE AT THE 29TH ANNUAL GENERAL MEETING OF THE COMPANY TO BE HELD AT BLOCK NO. 33, SACHETA UDYOGNAGAR, VILLAGE : MAHIYAL TAL: TALOD, DIST. SABARKANTHA (GUJARAT) 383215 ON SATURDAY, SEPTEMBER 28, 2019 AT 11.00 A.M.

Signature of the Member/Joint Member/Proxy attending the Meeting

Electronic Voting Event Number (EVEN)	User ID	Password

Note: Person attending the Meeting is requested to bring this Attendance Slip and Annual Report with him/her. Duplicate Attendance Slip and Annual Report will not be issued at the Annual General Meeting.

# SACHETA METALS LIMITED

CIN: L27100GJ1990PLC013784

Registered Office: Block No 33 Sacheta Udyognagar, Vill-Mahiyal, Tal-Talod, Sabarkantha-383215.

Website: www.sacheta.com - Tel: 02770-221739 - Fax : 0091 2770 220839

29th Annual General Meeting on Saturday, September 28, 2019 at 11.00 a.m.

## PROXY FORM

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

CIN	L27100GJ1990PLC013784
Name of the Company	SACHETA METALS LIMITED
Registered Office	Block No. 33, Sacheta Udyognagar, Village : Mahiyal Tal: Talod, Dist. Sabarkantha (Gujarat) 383215
Name of Member(s)	
Registered Address	
Email ID	
Folio No./ DP ID - Client ID	

I/We, being the member(s), holding \_\_\_\_\_ shares of the above named Company, hereby appoint:

- |     |                  |                 |                    |
|-----|------------------|-----------------|--------------------|
| (1) | Name _____       | Address _____   | _____              |
|     | E-mail ID: _____ | Signature _____ | or failing him/her |
| (2) | Name _____       | Address _____   | _____              |
|     | E-mail ID: _____ | Signature _____ | or failing him/her |
| (3) | Name _____       | Address _____   | _____              |
|     | E-mail ID: _____ | Signature _____ | _____              |

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 29th Annual General Meeting of the Company to be held on Saturday, the September 28, 2019 at 11.00 a.m at the Block No. 33, Sacheta Udyognagar, Village : Mahiyal Tal: Talod, Dist. Sabarkantha (Gujarat) 383215 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.	Resolution	For	Against
	<b>ORDINARY BUSINESS:</b>		
1	To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended on March 31, 2019, together with the Report of the Board of Directors and Auditors thereon.		
2	To declare dividend on equity shares for the financial year 2018-19.		
3	To appoint a Director in place of Mr.Ankit S. Shah (DIN 00237217), who retires by rotation and, being eligible, offers herself for re-appointmen		
	<b>SPECIAL BUSINESS:</b>		
4	Appointment of Ms. Zarnaben Dhaval Shah (DIN 08351755),as an Independent Director.		
5	Re-appointment of Jagdish Gandhi as an Independent Director.		
6	Re-appointment of Mr. Dilipkumar Sanghavi as an Independent Director.		
7	Re-appointment of Mr. Satish Keshavlal Shah as Managing Director.		
8	Re-appointment of Mrs. Chetnaben S. Shah as Jt.Managing Director.		
9	Re-appointment of Mr. Ankit S. Shah as an Executive Director.		
10	Re-appointment of Pravav S. Shah as an Executive Director.		
11	Adopt change in Object Clause.		

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2019

Member's Folio/ DP ID- Client ID No. \_\_\_\_\_

Signature of shareholder(s) \_\_\_\_\_

Signature of Proxy holder(s) \_\_\_\_\_

Affix  
Revenue  
Stamp  
Re. 1/-

- Note:
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. For the Resolutions, Statement setting out material facts thereon and notes, please refer to the Notice of the 29th Annual General Meeting.
  3. A person can act as proxy on behalf of Members not exceeding fifty (50) and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. In case a proxy is proposed to be appointed by a Member holding more than 10% of the total share capital of the Company carrying voting rights, then such proxy shall not act as a proxy for any other person or Member.



# Book-Post

## Route MAP for AGM Venue

Google

Ahmedabad to Talod Road, Mahiyal, Gujarat 383215

Sacheta Metals Ltd.

Drive 70.5 km, 1h 34 min



*Fresh food all time...* **Best Quality Aluminium Foil**

always use...

**sacheta**™ **WRAP-UP**

Made In India ECO-Friendly Aluminium foil 

If undelivered please return to :

**Regd. Office :-** Block No.33, Sacheta Udyognagar,  
Village Mahiyal Tal: Talod, Dist. Sabarkantha-383215 (Gujarat).