

9th September, 2021

The General Manager
Corporate Relationship Dept.,
The Bombay Stock Exchange Limited,

The General Manager
Corporate Relationship Dept.,
The National Stock Exchange of India Limited,

Scrip Code: 512289
Symbol: SHIRPUR-G

Sub: Annual Report 2020-21

Dear Sir,

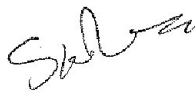
This is to inform you that the 36th Annual General Meeting of the Company will be held on Thursday, 30th September, 2021 at 10.00 a.m. at the Registered Office of the Company at Shirpur.

A copy of the Annual Report alongwith Notice of the AGM pursuant to Regulation 34 of SEBI(LODR), 2015 is enclosed for your reference.

Thanking you.

Yours faithfully,

For SHIRPUR GOLD REFINERY LIMITED



Shyamal Padhiar
Company Secretary

SHIRPUR GOLD REFINERY LIMITED

36th ANNUAL REPORT 2020-21

SHIRPUR GOLD REFINERY LIMITED

(An ISO 9001:2015 Company)

(CIN: L51900MH1984PLC034501)

CORPORATE INFORMATION

BOARD OF DIRECTORS

Amit Goenka

Non- Executive Chairman

Anish Goel

Independent Director

Manoj Agarwal

Independent Director

Kavita Kapahi

Independent Director

Prakash Chandra Pandey

Non-Executive Non-Independent Director

Shankar Bhandari

Non-Executive Non-Independent Director

KEY MANAGERIAL PERSONNEL

Shyamal Padhiar

Company Secretary

AUDITORS

M/s. Parikh & Parikh

Chartered Accountants

BANKERS

IFCI Ltd.

Punjab National Bank Ltd.

AXIS Bank Ltd.

Bank of Maharashtra

REGISTERED OFFICE & PLANT

Refinery Site, Shirpur, Dist. Dhule,
Maharashtra – 425 405

CORPORATE OFFICE

135, Continental Building, Dr. A.B. Road,
Worli, Mumbai – 400 018

Tel: 022 7106 1234

Fax: 022 7154 5940

E-mail: investorinfo@shirpurgold.com

www.shirpurgold.com

REGISTRAR AND SHARE TRANSFER AGENTS

M/s Link Intime India Pvt. Ltd.

C 101, 247 Park,
LBS Marg, Vikhroli (West),
Mumbai – 400 083.

Tel : +91 22- 4918 6000

Fax : +91 22-4918 6060

E-Mail: rnt.helpdesk@linkintime.co.in

CONTENTS	PAGE No.
Statutory Reports	
<i>Notice</i>	3
<i>Directors' Report</i>	11
<i>Corporate Governance Report</i>	32
<i>Management Discussion and Analysis</i>	45
<i>Standalone</i>	51
<i>Consolidated</i>	97

Notice

Notice is hereby given that the 36th Annual General Meeting of the Equity Shareholders of Shirpur Gold Refinery Limited will be held on Thursday, 30th September, 2021 at 10.00 a.m. at the registered office of the Company at Refinery Site, Shirpur, Dist. Dhule, Maharashtra - 425405 to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the audited Financial Statements of the Company on a standalone and consolidated basis, for the financial year ended 31st March, 2021 including the Balance Sheet as at 31st March, 2021, the Statement of Profit & Loss for the financial year ended on that date, and the Reports of the Auditors and Directors thereon.
2. To appoint a Director in place of Mr. Amit Goenka (DIN: 00017707), who retires by rotation and being eligible, offers himself for re-appointment.

SPECIAL BUSINESS:

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

"RESOLVED THAT pursuant to Section 149, 150, 152, 161 and other applicable provisions of Companies Act, 2013 ('Act'), and the rules made thereunder Mr. Shankar Bhandari (DIN: 09100443) who was appointed as an Additional Non Independent Non Executive Director of the Company by the Board of Directors with effect from 11th March, 2021 and who holds office up to the date of this Annual General Meeting in terms of Section 161(1) of the Act and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Act proposing his candidature to the office of Director, be and is hereby appointed as Director of the Company, liable to retire by rotation."

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

"RESOLVED THAT pursuant to Section 149, 150, 152, 161 and other applicable provisions of Companies Act, 2013 ('Act'), and the rules made thereunder Mr. Prakashchandra Pandey (DIN: 09100497) who was appointed as an Additional Non Independent Non Executive Director of the Company by the Board of Directors with effect from 11th March, 2021 and who holds office up to the date of this Annual General Meeting in terms of Section 161(1) of the Act and in respect of whom

the Company has received a notice in writing from a member under Section 160 of the Act proposing his candidature to the office of Director, be and is hereby appointed as Director of the Company, liable to retire by rotation."

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

"RESOLVED THAT pursuant to the provisions of Section 139(8) and other applicable provisions, if any, of the Companies Act, 2013 as amended from time to time or any other law for the time being in force (including any statutory modification(s) or amendment(s) thereto or re-enactment(s) thereof for the time being in force and pursuant to recommendation made by the Board of Directors, M/s. Ankush Gupta and Associates, Chartered Accountants (FRN No. 149227W), be and are hereby appointed as Statutory Auditors of the Company to fill the casual vacancy caused by the resignation of M/s. Parikh & Parikh, Chartered Accountants and who shall hold office of Statutory Auditors of the Company till the conclusion of this General Meeting at a remuneration as may be fixed by the Board of Directors of the Company in consultation with Auditors thereof.

RESOLVED FURTHER THAT the Board of Directors of the Company or its Committee be and is hereby authorized for and on behalf of the Company to take all necessary steps and to do all other acts, deeds and things which may deem necessary in this behalf."

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

"RESOLVED THAT subject to the provisions of Section 139, 142 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 and other applicable provisions, if any, M/s. Ankush Gupta and Associates, Chartered Accountants (FRN No. 149227W) be and are hereby appointed as the Statutory Auditor of the Company, to hold the office from the conclusion of this Annual General Meeting till the conclusion of 39th Annual General Meeting to be held in 2024, at a remuneration as may be fixed by the Board of Directors of the Company in consultation with Auditors thereof.

RESOLVED FURTHER THAT the Board of Directors of the Company or its Committee be and is hereby authorized for and on behalf of the Company to take all necessary steps

and to do all other acts, deeds and things which may deem necessary in this behalf.”

By order of the Board
For **Shirpur Gold Refinery Limited**

Place: Mumbai
Date: 18th August, 2021

Shyamal Padhiar
Company Secretary

Registered Office:

Refinery Site, Shirpur, Dist. Dhule,
Maharashtra - 425 405

NOTES:

1. A member entitled to attend and vote at the meeting may appoint a proxy to attend and vote on a poll on his behalf. A proxy need not be a member of the Company. A person can act as proxy on behalf of not exceeding fifty Members and holding in the aggregate not more than 10% of the total Equity Share Capital of the Company. Any Member holding more than 10% of the total Equity share capital of the Company may appoint a single person as proxy and in such a case, the said person shall not act as proxy for any other person or member. The instrument appointing proxy should, however, be deposited at the Registered Office of the Company not less than 48 hours before the commencement of the Meeting.
2. Corporate Members are requested to send to the Registered Office of the Company, a duly certified copy of the Board Resolution, pursuant to Section 113 of the Companies Act, 2013, authorising their representative to attend and vote at the Annual General Meeting.
3. Additional information, pursuant to SEBI(Listing Obligations and Disclosure Requirements) Regulations, 2015, on Directors recommended by the Board for appointment / re-appointment at the Annual General Meeting is annexed to the Notice.
4. Members who are holding Company's shares in dematerialized mode are requested to bring details of their Beneficiary Account Number for identification.
5. Members who wish to obtain information on the Financial

Statements for the year ended 31st March, 2021, may send their queries at least seven days before the AGM to the Company Secretary at the corporate office of the Company or at Email ID investorinfo@shirpurgold.com so as to enable the management to keep the information ready at the meeting.

6. Electronic Copy of the Annual Report for 2020-21 is being sent to all the members whose email IDs are registered with the Company/Depository Participants(s) for communication. In terms of Ministry of Corporate Affairs circular, physical copies of the Annual Report is not required to be sent to any shareholders. The Annual Report can be accessed at the Company's Website www.shirpurgold.com
7. Members are requested to notify immediately about any change in their address / e-mail address / dividend mandate / bank details to their Depository Participant (DP) in respect of their shareholding in Demat mode and in respect of their physical shareholding to the Company's Registrar and Share Transfer Agent, M/s Link Intime India Pvt. Ltd., at C-101, 247 Park, L.B.S. Marg, Vikhroli West, Mumbai-400 083. Shareholders holding Equity Shares of the Company in physical form may register their email address with the Registrar and Share Transfer agent of the Company to receive all communications by the Company including Annual Report and Notice of Meeting(s) by email, by sending appropriate communication on rnt.helpdesk@linkintime.co.in.
8. E-voting

In compliance with Section 108 of the Companies Act, 2013 read with Companies (Management and Administration) Rules, 2014 and Regulation 44 of the SEBI Listing Obligations and Disclosure Regulations) 2015, (Listing Regulations), the Company is pleased to provide members facility to exercise their right to vote at the 36th Annual General Meeting (AGM) by electronic means. The facility of casting votes by a member using an electronic voting system (remote e-voting) from a place other than venue of the AGM will be provided by Link Intime India Private Limited (LIPL) for all the business as detailed in this notice.

The remote E-voting period for all items of business contained in this Notice shall commence from Sunday, 26th September, 2021 at 9.00 a.m. and will end on Wednesday, 29th September, 2021 at 5.00 p.m. During this period equity shareholders of the Company holding shares either in physical form or in dematerialised form as on the cutoff date of 23rd September, 2021 may cast their vote electronically. The e-voting module shall be disabled by

LIPL for voting thereafter. Once the vote on a resolution is cast by any Member, he/she shall not be allowed to change it subsequently.

10. Any person, who acquires equity shares of the Company and become member of the Company after dispatch of the notice and holding shares as of the cut-off date i.e. 23rd September, 2021 may refer the e-voting instructions annexed to this notice or send their query at enotices@linkintime.co.in.
11. The facility for voting by way of Ballot / Poll paper shall also be made available at the venue of the meeting and members, as on the cut-off date, attending the meeting who have not already cast their vote by remote e-voting shall be able to exercise their right at the meeting.
12. The Members who have cast their vote by remote e-voting may also attend the meeting but shall not be entitled to cast their vote again.
13. The voting rights of Members either by way of remote e-voting prior to the meeting or by way of Ballot / Poll paper at the meeting shall be in proportion to their equity shareholding in the paid up equity share capital of the Company as on the Cut-off date 23rd September, 2021.
14. At the AGM, the Chairman of the meeting shall after discussions on all the resolutions on which voting is to be held, allow voting by use of Ballot / Poll Paper by all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.
15. The Company has appointed M/s Shraavan Gupta & Associates, Practising Company Secretaries as Scrutinizer to supervise remote e-voting process as well as conduct the Ballot/Poll

Paper voting process at the Annual General Meeting in a fair and transparent manner.

16. The Scrutinizer shall, after the conclusion of voting at the general meeting, first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, within 48 hours of the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or Company Secretary, who shall countersign the same and declare the result of the voting forthwith.
17. The results declared along with Scrutiniser's report shall be placed on the website of the Company thereafter and shall also be communicated to the Stock Exchanges. The Resolutions shall be deemed to be passed, if approved, on the date of AGM.
18. Remote e-Voting Instructions for shareholders post change in the Login mechanism for Individual shareholders holding securities in demat mode, pursuant to SEBI circular dated December 9, 2020:

Pursuant to SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode can vote through their demat account maintained with Depositories and Depository Participants only post 9th June, 2021.

Shareholders are advised to update their mobile number and email Id in their demat accounts to access e-Voting facility.

Login method for Individual shareholders holding securities in demat mode/ physical mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL	<ul style="list-style-type: none"> • If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsdl.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. • After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. • If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select "Register Online for IDeAS" Portal or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp • Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/ Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.
<p>Individual Shareholders holding securities in demat mode with CDSL</p> <p>Individual Shareholders (holding securities in demat mode) & login through their depository participants</p> <p>Individual Shareholders holding securities in Physical mode & voting service Provider is LINKINTIME.</p>	<ul style="list-style-type: none"> • Existing user of who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or www.cdslindia.com and click on New System Myeasi. • After successful login of Easi / Easiest the user will be also able to see the E Voting Menu. The Menu will have links of e-Voting service provider i.e. NSDL, KARVY, LINK NTIME, CDSL. Click on e-Voting service provider name to cast your vote. • If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration. • Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP where the E Voting is in progress.

Type of shareholders	Login Method
Individual Shareholders (holding securities in demat mode) & login through their depository participants	<ul style="list-style-type: none"> You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. Once login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.
Individual Shareholders holding securities in Physical mode & e-voting service Provider is LINKINTIME.	<ol style="list-style-type: none"> Open the internet browser and launch the URL: https://instavote.linkintime.co.in <ul style="list-style-type: none"> Click on "Sign Up" under 'SHARE HOLDER' tab and register with your following details: - <ul style="list-style-type: none"> A. User ID: Shareholders/ members holding shares in physical form shall provide Event No + Folio Number registered with the Company. B. PAN: Enter your 10-digit Permanent Account Number (PAN) (Members who have not updated their PAN with the Depository Participant (DP)/ Company shall use the sequence number provided to you, if applicable. C. DOB/DOI: Enter the Date of Birth (DOB) / Date of Incorporation (DOI) (As recorded with your DP / Company - in DD/MM/YYYY format) D. Bank Account Number: Enter your Bank Account Number (last four digits), as recorded with your DP/Company. Shareholders/ members holding shares in physical form but have not recorded 'C' and 'D', shall provide their Folio number in 'D' above Set the password of your choice (The password should contain minimum 8 characters, at least one special Character (@!#\$%&*), at least one numeral, at least one alphabet and at least one capital letter). Click "confirm" (Your password is now generated). Click on 'Login' under 'SHARE HOLDER' tab. Enter your User ID, Password and Image Verification (CAPTCHA) Code and click on 'Submit'. After successful login, you will be able to see the notification for e-voting. Select 'View' icon. E-voting page will appear. Refer the Resolution description and cast your vote by selecting your desired option 'Favour / Against' (If you wish to view the entire Resolution details, click on the 'View Resolution' file link). After selecting the desired option i.e. Favour / Against, click on 'Submit'. A confirmation box will be displayed. If you wish to confirm your vote, click on 'Yes', else to change your vote, click on 'No' and accordingly modify your vote.

Institutional shareholders:

Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on the e-voting system of LIPL at <https://instavote.linkintime.co.in> and register themselves as 'Custodian / Mutual Fund / Corporate Body'. They are also required to upload a scanned certified true copy of the board resolution / authority letter/power of attorney etc. together with attested specimen signature of the duly authorised representative(s) in PDF format in the 'Custodian / Mutual Fund / Corporate Body' login for the Scrutinizer to verify the same.

Individual Shareholders holding securities in Physical mode & voting service Provider is LINKINTIME, have forgotten the password:

- o Click on 'Login' under 'SHARE HOLDER' tab and further Click 'forgot password?'
- o Enter User ID, select Mode and Enter Image Verification (CAPTCHA) Code and Click on 'Submit'.
- In case shareholders/ members is having valid email address, Password will be sent to his / her registered e-mail address.
- Shareholders/ members can set the password of his/her choice by providing the information about the particulars of the Security Question and Answer, PAN, DOB/DOI, Bank Account Number (last four digits) etc. as mentioned above.
- The password should contain minimum 8 characters, at least

one special character (@!#\$%&*), at least one numeral, at least one alphabet and at least one capital letter.

Individual Shareholders holding securities in demat mode with NSDL/ CDSL have forgotten the password:

- Shareholders/ members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned depository/ depository participants website.
- It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- For shareholders/ members holding shares in physical form, the details can be used only for voting on the resolutions contained in this Notice.
- During the voting period, shareholders/ members can login any number of time till they have voted on the resolution(s) for a particular "Event".

Helpdesk for Individual Shareholders holding securities in demat mode:

In case shareholders/ members holding securities in demat mode have any technical issues related to login through Depository i.e. NSDL/ CDSL, they may contact the respective helpdesk given below:

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

Helpdesk for Individual Shareholders holding securities in physical mode/ Institutional shareholders & voting service Provider is LINKINTIME.

In case shareholders/ members holding securities in physical mode/ Institutional shareholders have any queries regarding e-voting, they may refer the Frequently Asked Questions ('FAQs') and InstaVote e-Voting manual available at <https://instavote.linkintime.co.in>, under Help section or send an email to enotices@linkintime.co.in or contact on: - Tel: 022 -4918 6000.

19. Members are requested to bring their attendance slip along with their copy of Annual Report to the Meeting.
20. The Register of Members and the Share Transfer Books of the Company will remain closed from Thursday, 23rd September, 2021 to Thursday, 30th September, 2021 (both days inclusive) for the purpose of Annual General Meeting.
21. Members who have not registered their e-mail addresses so far are requested to register their e-mail address for receiving all communication including Annual Report, Notices, Circulars, etc. from the Company electronically.

DETAILS OF DIRECTORS SEEKING APPOINTMENT / RE-APPOINTMENT AT THE ENSUING ANNUAL GENERAL MEETING:

Name	Amit Goenka	Shankar Bhandari	Prakash Chandra Pandey
Age	45 years	53 years	56 years
Qualification	Graduate in Business Administration	S.S.C	S.S.C
Experience	21 years	29 years	32 years
Date of Appointment on the Board of the Company	18.12.2018	11.03.2021	11.03.2021
Nature of expertise in Specific Functional Area	He is one of the promoters of Essel Group and presently CEO, International Broadcast Business, is responsible for spearheading the International Business of ZeeEntertainment Enterprises Limited (ZEEL). Under his leadership, ZEEL is taking the right steps to achieve its global ambitions, set for the year 2020. Prior to this role, Mr. Goenka has successfully managed the technology business of the Essel Group, and has played a vital role in the setting up the state-of-the-art processes in all the group companies. Mr. Goenka's first venture was Cyquator Technologies Ltd - a company which deals into web hosting and e-solutions space. In the past, He has served as Promoter Director of 'Shirpur Gold Refinery Ltd.'	He is having vast experience of over 32 years in the field of security services and administrative management.	He is having vast experience of over 29 years in the field of management and consultancy services.
Name of the other Companies in which Directorship held	-	1.Tapaswi Mercantile Private Limited 2. Widescreen Holdings Private Limited 3. Jay Properties Private Limited 4. Sunnystar Properties Private Limited 5.Digital Satellite Holdings Private Limited 6. 25fps Media Private Limited	1.Arm Infra & Utilities Private Limited 2.Digital Subscriber Management And Consultancy Services Private Limited 3.Arrow Media & Broadband Private Limited 4.Direct Media & Cable Private Limited
Name of the other Companies in which He / she is Chairman / member of the Committee	-	-	-
No. of shares held of Shirpur Gold Refinery Ltd.	-	-	-
Relationship between Directors inter-se	He is Promoter Director but not related with any other Director.	He is not related with any other Director.	He is not related with any other Director.

By order of the Board
For **Shirpur Gold Refinery Limited**

Place: Mumbai
Date: 18th August, 2021

Shyamal Padhiar
Company Secretary

EXPLANATORY STATEMENT IN RESPECT OF THE SPECIAL BUSINESS PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013

Item 3 & 4

As per the SEBI Listing Regulations, 2015, the Company was required to have at least 6 members on the board with 50 % should be Independent Directors w.e.f. 01.04.2020. The composition of the Board was comprised of 4 members – 1 Promoter and 3 Independent Directors till March 31, 2020. In view of the above, the Company was on look for 2 additional directors to be appointed as Board members. The management had identified 2 candidates Mr. Shankar Bhandari & Mr. Prakashchandra Pandey to be appointed as Non Independent Non Executive Directors. After evaluating their profiles, the Board of Directors of the Company based on the recommendations of Nomination & Remuneration Committee, appointed Mr. Shankar Bhandari & Mr. Prakashchandra Pandey as Non Independent Non Executive Directors of the Company effective from March 11, 2021, liable to retire by rotation.

Pursuant to Section 161(1) of the Companies Act 2013, Mr. Shankar Bhandari & Mr. Prakashchandra Pandey holds office till the date of this Annual General Meeting. Appropriate notice has been received from a members proposing appointment of Mr. Shankar Bhandari & Mr. Prakashchandra Pandey as a Directors of the Company and requisite consent has been received from them pursuant to provisions of Section 152 of the Companies Act 2013. Brief Profiles and other details of Mr. Shankar Bhandari & Mr. Prakashchandra Pandey forms parts of this notice.

Your Board recommends the Ordinary Resolutions set out at Item No. 3 & 4 of the Notice for approval of members.

None of the Directors and Key Managerial Personnel of the Company or their relatives, except Mr. Shankar Bhandari & Mr. Prakashchandra Pandey (whose appointment is proposed in the resolutions) are in any way concerned or interested in the resolutions.

Item 5 & 6

In compliance with rotational requirements of Statutory Auditors of the Company as per Section 139 of Companies Act, 2013 and after reviewing recommendations of the Audit Committee, M/s Parikh & Parikh, Chartered Accountants, Mumbai (FRN 107526W) was earlier appointed as Statutory Auditors of the Company after obtaining requisite shareholders approval in place of retiring auditors M/s B.S. Sharma & Co., Chartered Accountants, to hold office till the conclusion of general meeting to be held in 2024.

However, M/s Parikh & Parikh, Chartered Accountants, vide letter dated 11th August, 2021 tendered their resignation as Statutory Auditors of the Company due to expiry of peer review certificate and hence not eligible to carry out statutory audit of the Company for the FY 2021-22.

Pursuant to the provisions of Section 139(8) and other applicable provisions, if any, of the Companies Act, 2013 and based on recommendation of the Audit Committee, M/s. Ankush Gupta and Associates, Chartered Accountants (FRN No. 149227W), was appointed as Statutory Auditors of the Company for the FY 2021-22 to fill the casual vacancy caused due to the resignation of M/s. Parikh & Parikh, Chartered Accountants.

M/s. Ankush Gupta and Associates, Chartered Accountants (FRN No. 149227W), shall hold the office till the conclusion of the ensuing Annual General Meeting of the Company, on such remuneration as may be fixed by the Board of Directors in consultation with Auditors thereof and he may be appointed further period as may be decided by the Board of Directors.

Your Company has received consent and confirmation from the proposed Auditors to the effect that their appointment, if made, will be in accordance with the limits specified under the Companies Act, 2013 and the firm satisfies the criteria specified in Section 141 of the Companies Act, 2013 read with Rule 4 of the Companies (Audit & Auditors) Rules 2014. The firm also holds valid peer review certificate as required under Listing Regulations.

Your Board recommends appointment of M/s. Ankush Gupta and Associates, Chartered Accountants, Mumbai as Statutory Auditors of the Company for the financial year 2021-22 and further period of 2 years to hold office till the conclusion of general meeting to be held in 2024 and seek your approval by passing resolution at the ensuing AGM. There is no material change in the remuneration of proposed auditor as compared to remuneration paid to outgoing auditor.

Your Board recommends the Ordinary Resolutions set out at Item No. 5 & 6 of the Notice for approval of members.

None of the Directors and Key Managerial Personnel of the Company or their relatives are in any way concerned or interested in the said resolution.

By order of the Board

For Shirdpur Gold Refinery Limited

Shyamal Padhiar
Company Secretary

Place: Mumbai
Date: 18th August, 2021

Directors' Report

To
The Members of
SHIRPUR GOLD REFINERY LIMITED

Yours Directors take pleasure in presenting the 36th Annual Report of your Company together with Audited Statement of Accounts for the year ended 31st March 2021 prepared as per Indian Accounting Standards prescribed under Section 133 of the Companies Act, 2013.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirement under Section 134(3) of the Companies Act, 2013, in relation to the Annual Financial Statements for the Financial Year 2020-21, your Directors confirm that:

- The Financial Statements of the Company - comprising of the Balance Sheet as at 31st March, 2021 and the Statement of Profit & Loss for the year ended on that date, have been prepared on a going concern basis following applicable accounting standards and that no material departures have been made from the same;
- Accounting policies selected were applied consistently and the judgments and estimates related to the financial statements have been made on a prudent and reasonable basis, so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2021, and, of the loss of the Company for the year ended on that date; and
- Proper and sufficient care has been taken for 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;
- Requisite Internal Financial Controls had been laid down and that such internal financial controls are adequate and were operating effectively; and
- Proper systems have been devised to ensure compliance with the provisions of all applicable laws and that systems were adequate and operating effectively.

FINANCIAL HIGHLIGHTS

(₹ in Millions)

Particulars	Standalone – Year Ended		Consolidated – Year Ended	
	31.03.2021	31.03.2020	31.03.2021	31.03.2020
Total Revenue	3.80	5,422.01	43,814.27	35,663.66
Total Expenses	2,589.81	6,896.62	46,271.17	37,069.12
Profit / (Loss) before Tax	(2,586.01)	(1,474.61)	(2,456.90)	(1,405.46)
Profit / (Loss) after Tax	(2,586.01)	(1,474.61)	(2,456.90)	(1,405.46)

There have been no material changes and commitments that have occurred after close of the financial year till the date of this report,

which affect the financial position of the Company. Based on the internal financial control framework and compliance systems established in the Company, the work performed by Statutory, Internal, Secretarial Auditors and reviews performed by the management and/or relevant Audit and other Committees of the Board, your Board is of the opinion that the Company's internal financial controls were adequate and working effectively during financial year 2020-21..

DIVIDEND

In view of the losses incurred by the Company during current year, your Directors do not recommend any dividend for the year under review.

TURNOVER AND COMPANY PERFORMANCE

The total revenue for the financial year under review was ₹ 3.80 Millions as against ₹ 5,422.01 Millions showing decrease over previous year. Your Company has registered the Net Loss before tax and after tax of ₹ 2,586.01 Millions as against ₹ 1,474.61 Millions in the previous financial year.

COVID -19

The outbreak of Corona virus (COVID-19) pandemic globally and in India is causing significant disturbance and slowdown of economic activity. In many countries, businesses are being forced to cease or limit their operations for long or indefinite periods of time. Measures taken to contain the spread of the virus, including travel bans, quarantines, social distancing and closures of non-essential services have triggered significant disruptions to businesses worldwide, resulting in an economic slowdown.

The Government of India in order to contain the spread of the COVID-19 pandemic announced a nationwide Lockdown on 25th March 2020. Accordingly, Company continued with shut down of its manufacturing / trading operations at facilities in India. Company is ensuring compliance with the directives issued by the Central Government, State Governments and local government and is maintaining social distancing and taking the required precautions for all employees of the Company.

There is no material impact due to countrywide lockdown on account of COVID-19 pandemic and considering the business segment (Precious Metals) in which company operates, there was no material impact which require any adjustment in financial statement as the Company did temporarily stop manufacturing and trading operations due to paucity of funds, the notice from

lenders for possession of the factory premises, and various legal and regulatory actions against the company.

DEFAULTS IN REPAYMENT OF LOANS

Three of the lender banks and a financial institution ('the lenders') have outstanding dues classified as Non-performing assets, amounting to ₹34,087.41 Lakhs including amount of bank guarantees invoked, interest and penal interest of ₹5,770.45 Lakhs due to defaults made by the Company in the repayment and non-compliance of the terms and conditions. The lender bankers had recalled loan outstanding and had issued notice for constructive possession of the Company's factory at Shirpur, Dhule District, Maharashtra. However, no further action has been by the said bank in this connection.

The Management is in continuous discussions with the lenders for its scheme of restructuring the said over dues and negotiation with the lenders is under way for amicable settlement.

BUSINESS EXCELLENCE & RECOGNISITON

- The Company was awarded with Bureau of Indian Standards (BIS) certificate for use BIS hallmark, one of the requirements for participating in the Gold Monetisation Scheme.
- The Company is holding ISO 9001: 2015, ISO 14001:2015 and OHSAS 18001:2007 standard certificate for Gold Refinery.

CREDIT RATING

During the year under review, Long Term and Short Term credit rating of the Company as earlier issued by CRISIL and CARE remained to 'D' on account of delay in debt servicing.

SUBSIDIARIES

INTERNATIONAL OPERATIONS

As at March 31, 2021, your Company had Wholly Owned Subsidiary namely, Shirpur Gold DMCC, Dubai, the name of which changed from 'Zee Gold DMCC' effective from 23.01.2020 and 2 step down subsidiaries namely 'Precious Metals Mining and Refining Limited' ("PMMRL"), Papua New Guinea and Metallic Exploration And Mining, Mali.

During the FY 2016-17, "PMMRL" step down subsidiary commenced its operations on trial basis, however it couldn't continue the same due to limited resources and other difficulties. Hence, the Board of Directors of the Company decided to close down the above subsidiary. The above subsidiary is in process of closure and is

non operative and non-material. Metallic Exploration And Mining, Mali, step down subsidiary of the Company is yet to commence its operations.

Apart from the above, the Company has neither formed any new subsidiary, associate or Joint venture nor any company ceased to be subsidiary,

In line with amendments of threshold for determining Material Subsidiary as stated in Regulation 16(1)(c) of Listing Regulations, Shirpur Gold DMCC, a wholly owned overseas subsidiary remains a Material Subsidiary of the Company.

The policy for determining material subsidiaries of the Company is available on the website of the Company www.shirpurgold.com.

In compliance with Section 129 of the Companies Act, 2013, a statement containing requisite details including financial highlights of each of the subsidiaries is annexed to this report.

Further as per Section 136 of the Companies Act, 2013, the Audited financial statements including the consolidated financial statements and related information of the Company and audited accounts of each of the subsidiaries are available on the website of the Company www.shirpurgold.com.

CORPORATE GOVERNANCE AND POLICIES

In order to maximize shareholder value on a sustained basis, your Company has adopted Corporate Governance practices strictly complying with the requirements of Securities & Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), applicable provisions of the Companies Act, 2013 and applicable Secretarial Standards issued by the Institute of Company Secretaries of India.

A detailed Report on Corporate Governance as per requirement of Listing Regulations along with the Certificate issued by the M/s Parikh & Parikh, Statutory Auditors confirming the compliance of the provisions of the Corporate Governance, is attached and forms part of this Annual Report. Management's Discussion and Analysis Report for the year under review, as stipulated under Listing Regulations is presented in a separate section forming part of the Annual Report.

In compliance with the requirements of Companies Act, 2013 and Listing Regulations, your Board has approved various Policies including Code of Conduct for Directors & Senior Management, Material Subsidiary Policy, Insider Trading Code, Document

Preservation Policy, Material Event Determination and Disclosure Policy, Fair Disclosure Policy, Corporate Social Responsibility Policy, Whistle Blower and Vigil Mechanism Policy, Related Party Transaction Policy and Remuneration Policy. All these policies and codes have been uploaded on Company's corporate website www.shirpurgold.com. Additionally, Directors Familiarisation Programme and Terms and Conditions for appointment of Independent Directors can be viewed on Company's corporate website www.shirpurgold.com.

In compliance with regulatory requirements, the Nomination and Remuneration Committee of your Board has fixed criteria for nominating a person on the Board which inter alia include desired size and composition of the Board, age limit, qualification / experience, areas of expertise and independence of individual. In line with this the Committee had approved in-principle that the initial term of an Independent Director shall not exceed 5 years.

DIRECTORS AND KEY MANAGERIAL PERSONNEL (KMP)

As at March 31, 2021, Your Board comprised of 6 Directors including 3 Independent Directors and 3 Non-Executive Directors. Independent Directors provide their declarations both at the time of appointment and annually confirming that they meet the criteria of independence as prescribed under Companies Act, 2013 and Listing Regulations.

Mr. Amit Goenka who is liable to retire by rotation at the ensuing AGM and being eligible, offers himself for re-appointment. Your Board recommends his re-appointment.

In compliance with Regulation 17(2) of the Listing Regulations and based on the recommendation made by the Nomination and Remuneration Committee, your Board had appointed Mr. Prakash Chandra Pandey and Mr. Shankar Bhandari as additional Non Executive Non Independent Directors w.e.f 11th March, 2021, liable to retire by rotation. As per 161 of the Companies Act, 2013, Mr. Prakash Chandra Pandey and Mr. Shankar Bhandari shall hold office till ensuing Annual General Meeting. The Company has received notice from members proposing appointment of Mr. Prakash Chandra Pandey and Mr. Shankar Bhandari as Directors and requisite proposals seeking your approval for their appointment as Directors forms part of the Notice of ensuing Annual General Meeting. Your Board recommends these proposals for approval of shareholders.

In terms of Regulation 25(8) of the Listing Regulations,

Independent Directors have confirmed that they are not aware of any circumstances or situation which exists or may be reasonably anticipated that could impair or impact their ability to discharge their duties. Based on the declarations received from the Independent Directors, the Board has confirmed that they meet the criteria of independence as mentioned under Regulation 16(1) (b) of the Listing Regulations and that they are independent of the management.

A declaration on compliance with Rule 6(3) of the Companies (Appointment and Qualification of Directors) Rules, 2014, along with a declaration as provided in the Notification dated October 22, 2019, issued by the Ministry of Corporate Affairs (MCA), regarding the requirement relating to enrolment in the Data Bank for Independent Directors, has been received from all the Independent Directors, along with declaration made under Section 149(6) of the Act.

The Company has not appointed any Independent Director during the year, hence a statement regarding opinion of the Board with regard to integrity, expertise and experience of the independent Directors appointed during the year is not applicable.

During FY 2020-21, your Board met 4 (Four) times details of which are available in Corporate Governance Report annexed to this report.

Mr. Ashok Sanghavi resigned as CFO of the Company effective from December 3, 2020.

In compliance with the requirements of Section 203 of Companies Act, 2013, as at March 31, 2021, Mr. Shyamal Padhiar, Company Secretary continue as Key Managerial Personnel of the Company.

PERFORMANCE EVALUATION

In a separate meeting of Independent Directors, performance of the non-independent directors, performance of the board as a whole and performance of the Chairman was evaluated. Based on such report of the meeting of Independent Directors and taking into account the views of directors, the Board had evaluated its performance on various parameters such as Board composition and structure, effectiveness of board processes, effectiveness of flow of information, attendance, contributions from each directors etc.

The performance of each of the Independent Directors was also evaluated taking into account the time devoted, attention given

to professional obligations for independent decision making, contribution towards providing strategic guidance, determining important policies, utilising their expertise.

BOARD COMMITTEES

In compliance with the requirements of Companies Act, 2013 and Listing Regulations, your Board had constituted various Board Committees including Audit Committee, Nomination & Remuneration Committee, Stakeholders Relationship Committee and Corporate Social Responsibility Committee. Details of the constitution of these Committees, which are in accordance with regulatory requirements, have been uploaded on the website of the Company viz. www.shirpurgold.com. Details of scope, constitution, terms of reference, number of meetings held during the year under review along with attendance of Committee Members therein form part of the Corporate Governance Report annexed to this report.

A detailed report on Corporate Social Responsibility, in compliance with the requirements of Companies Act, 2013, is annexed to this report.

AUDITORS

Statutory Audit

In compliance with rotational requirements of Statutory Auditors of the Company as per Section 139 of Companies Act, 2013 and after reviewing recommendations of the Audit Committee, M/s Parikh & Parikh, Chartered Accountants, Mumbai (FRN 107526W) was earlier appointed as Statutory Auditors of the Company after obtaining requisite shareholders approval in place of retiring auditors M/s B.S. Sharma & Co., Chartered Accountants, to hold office till the conclusion of general meeting to be held in 2024.

However, M/s Parikh & Parikh, Chartered Accountants, vide his letter dated 11th August, 2021 tendered their resignation as Statutory Auditors of the Company due to expiry of peer review certificate and hence not eligible to carry out statutory audit of the Company for the FY 2021-22.

Pursuant to the provisions of Section 139(8) and other applicable provisions, if any, of the Companies Act, 2013 and based on recommendation of the Audit Committee, M/s. Ankush Gupta and Associates, Chartered Accountants (FRN No. 149227W), was appointed as Statutory Auditors of the Company for the FY 2021-

22 to fill the casual vacancy caused by the resignation of M/s. Parikh & Parikh, Chartered Accountants.

M/s. Ankush Gupta and Associates, Chartered Accountants (FRN No. 149227W), shall hold the office till the conclusion of the ensuing Annual General Meeting of the Company to be held in the Financial Year 2021-2022, on such remuneration including out of pocket expenses and other expenses as may be mutually agreed by and between the Board of Directors and Auditors and as approved by the shareholders of the Company.

Your Company has received consent and confirmation from the proposed Auditors to the effect that their appointment, if made, will be in accordance with the limits specified under the Companies Act, 2013 and the firm satisfies the criteria specified in Section 141 of the Companies Act, 2013 read with Rule 4 of the Companies (Audit & Auditors) Rules 2014. The firm also holds valid peer review certificate as required under Listing Regulations.

Your Board recommends appointment of M/s. Ankush Gupta and Associates, Chartered Accountants, Mumbai as Statutory Auditors of the Company for the financial year 2021-22 and further period of 2 years to hold office till the conclusion of general meeting to be held in 2024 and seek your approval by passing resolution at the ensuing AGM.

The reports of the Statutory Audit for the year ended March 31, 2021, do not contain any qualifications / observations. During the year, the Statutory Auditors had not reported any matter under Section 143(12) of the Act, therefore no detail is required to be disclosed under Section 134(3)(ca) of the Act.

Secretarial Audit

In compliance with the provisions of Section 204 of the Companies Act, 2013, the Company has appointed Mrs. Mita Sanghavi, Practising Company Secretary (CP No. 6364) as secretarial auditor of the Company for the financial year 2020-21. A copy of secretarial audit report is annexed to this report.

In compliance with the provisions of SEBI Listing Regulations, the Company had submitted Annual Secretarial Compliance Report for the year ended 31.03.2021 to the stock exchanges which was issued by Mrs. Mita Sanghavi, Secretarial Auditor.

The reports of the Secretarial Audit and Annual Secretarial Compliance Certificate for the year ended March 31, 2021, contains certain qualifications / observations. The Board's reply with regards to qualifications / observations were as under:

S.No.	Particulars of qualifications / observations	Board's Reply
1	As at March 31, 2021, Directors Identification Number issued to one of the Directors of the Company Mr. Amit Goenka (DIN 00017707) stands de-activated due to non-filing of DIR-3 KYC	The delay in filing of DIR 3 KYC occurred due to unavailability as a result of frequent international travels of Mr. Amit Goenka. However, the DIR-3 KYC has been filed subsequently and activated.
2	As at March 31, 2021, the Company had Key Managerial Personnel (KMP) only in the category of Company Secretary and therefore was not in compliance with the requirements of Section 203 of the Companies Act, 2013. The vacancy caused in the office of Chief Financial Officer due to resignation w.e.f. December 3, 2020 and Manager (nominated as KMP in the category of CEO) due to resignation w.e.f. December 6, 2019, has not been filled as on date of this report.	The operations of the Company are on hold since February, 2020, and the operations at factory are lying closed. Therefore, the vacancy in the office of 'Manager' and 'Chief Financial Officer' could not be filled.
3	As on the date of report the company has not filed Audited Financial Statement in Form AOC-4 XBRL for FY 2019-20. The Annual General Meeting for adoption of Audited Accounts for FY 2019-20 was held on 31.12.2020.	The Company has filed Form AOC-4 XBRL for FY 2019-20 on July 29, 2021.
4	The Company had outstanding CSR Provisions of preceding years aggregating to ₹ 107.99 Lakhs, which were not spent on the objects prescribed under Section 135 of the Companies Act, 2013.	The operations of the Company are on hold since February, 2020, and the operations at factory are lying closed. Due to insufficient operational cash flows, the Company couldn't spent outstanding CSR expenditure of preceding years.
5	The Company had not filed Annual Performance Report in Form ODI for FY 2019-20 in connection with operations of its Wholly Owned Overseas Subsidiary M/s. Shirpur Gold DMCC, Dubai (erstwhile Zee Gold DMCC till 23.01.2020) and has accordingly not complied with the requirements of Foreign Exchange Management (Transfer or Issue of any Foreign Security) Regulations, 2004.	The Company is in process to file the same.
6	During the Audit period the Company has not complied with following requirements of SEBI regulations:	

S.No.	Particulars of qualifications / observations			Board's Reply
	Sr. No.	Compliance Requirement	Deviations	1. Delay in filing of various forms / returns under SEBI LODR was due to challenges faced by the Company for payment to RTA due to insufficient cash flow and sudden closure of operations post COVID 19 pandemic. 2. Nonpayment of listing fees was due to insufficient operational cash flows, 3. Non compliance of Reg 17(1)(c) of SEBI LODR, was due to challenges faced by the Company to identify new Directors such as COVID 19 pandemic, closure of operations, default in debt obligations and so on. 4. The observation with regards to signing of CEO /CFO certificate by Directors is self explanatory. 5. The website was operational till it was crashed due to technical glitch on the part of service provider hosting the domain of the Company. The Company is trying to have dialogue with service provider and is expected to resolve the issue.
	1	Reg 7(3) of SEBI LODR	Delay in filing of Half-yearly Certificate of Common Share Registry for half-year ended September 30, 2020	
	2	Reg 13(3) of SEBI LODR	Delay of 1 day in filing Statement of Investors complaint for quarter ended June 30, 2020 with NSE	
	3	Reg 14 of SEBI LODR	Listing Fees for FY 2020-21 not paid	
	4	Reg 17(1)(c) of SEBI LODR	Company forms part of top 2000 Companies based on Market Cap in NSE as at March 31, 2020 and had 4 Directors during the period from April 1, 2020 till March 10, 2021 and therefore the Board constitution was not in compliance with Regulation 17(1)(c).	
	5	Reg 31 of SEBI LODR	Delay in filing Shareholding Pattern for quarter ended June 30, 2020 and September 30, 2020	
	6	Reg 33(2)(a) of SEBI LODR	Since Company did not have CEO & CFO (w.e.f. 03.12.2020) the CEO-CFO certificate for financials of Q3 ended on 31.12.2020 was signed by 2 Directors. Further since there was no CEO during year, the CEO-CFO certificate for all quarterly financials were signed by Directors in place of CEO	
	7	Regulation 40(9) of SEBI LODR	Delay in filing Certificate from Practicing Company Secretary for half-year ended September 30, 2020	
	8	Reg 46 & various other SEBI LODR	Company's website is not operational and therefore status of uploading policies and other filings on website could not be verified.	
9	Reg 76 of SEBI DP Regulations	Delay in filing Reconciliation of Share Capital Audit report for quarter ended September 30, 2020		
7	During the Audit period, National Stock Exchange of India Limited (NSE) & BSE Limited (BSE) had issued Notices for violations of Reg 6(1), 7(1), 7(3), 17(1) and 31 of SEBI LODR and Regulation 76 of SEBI DP regulations and consequent to non-payment of fines levied by the Stock Exchanges in connection with above violations, trading of Shares of the Company on the Stock Exchanges has been suspended since February 12, 2021;			Non payment of fines were due to various reasons such as Insufficient cash flow,closure of business operations and so on. The Company had requested the exchanges for waiver of the fines levied.

S.No.	Particulars of qualifications / observations	Board's Reply
8	<p>During the Audit period the Company's manufacturing operations was temporarily on hold since February 2020 due to paucity of funds, the notice from lenders for possession of factory premises and various legal and regulatory actions against the Company. Most of the workers were laid-off in February 2020.</p> <p>In view of the foregoing, most of the provisions of Factories Act, 1948, Industrial Dispute Act, 1947, Payment of Wages Act, 1936, Minimum Wages Act, 1948, Employee State Insurance Act, 1948, Employee Provident Fund and Miscellaneous Provisions Act, 1952, Payment of Bonus Act, 1965, Payment of Gratuity Act 1972, The Contract Labour (Regulation and Abolition) Act, 1970, Maternity Benefits Act, 1961, The Industrial Employment (Standing Orders) Act, 1946, Employees Compensation Act, 1923 (earlier known as Workmen Compensation Act, 1906), Equal Remuneration Act, 1976, Environmental Laws were not applicable for major part of year. The Company had not renewed factory license & did not have Manager, as required under Factories Act, 1948.</p>	The observation is self explanatory and the company is in process of renewal of factory license.

Cost Audit

The provisions related maintenance of cost records as specified by the Central Government under Section 148 of the Companies Act, 2013 and to appoint cost auditor to carry out Audit of Cost Records of the Company are not applicable to the Company.

Corporate Social Responsibility

The Company had outstanding CSR Provisions of preceding years aggregating to ₹ 10.80 Million, which were not spent on the objects prescribed under Section 135 of the Companies Act, 2013. Due to insufficient operational cash flows, the Company couldn't spent outstanding CSR expenditure of preceding years. However, due to negative average profits for the last 3 financial years of the Company, it was not required to spend any amount towards CSR expenses for the financial year ended 31.03.2021.

DISCLOSURES :

I. PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS U/S 186

The details of loans, investments and guarantee as required u/s 186(4) of the Companies Act, 2013 are annexed to the Director's Report.

II. RELATED PARTY TRANSACTIONS

All related party transactions, specifying the nature, value and terms of the transactions including the arms-length

justification, are placed before the Audit Committee for its approval and statement of all related party transactions carried out is placed before the Audit Committee for its review on a quarterly basis.

All the related parties transactions entered by the Company during the financial year under review were on arm's length basis, in the ordinary course of business and in compliance with the applicable provisions of the Companies Act, 2013 and Listing Regulations. During FY 2020-21, there were no materially significant Related Party Transactions by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons which may have a potential conflict with the interest of the Company at large.

During the FY 2020-21, there were no materially significant related party transactions as defined under Section 188 of the Act and Regulations 23 the Listing Regulations and accordingly transactions required to be reported in Form AOC-2 as per Section 188 of the Companies Act, 2013 is NIL.

III. INTERNAL FINANCIAL CONTROL AND THEIR ADEQUACY

Your Company has adequate internal financial controls and policies/procedures for orderly and efficient conduct of the business including safeguarding of assets, prevention and detection of frauds and errors, ensuring accuracy and completeness of the accounting records and the timely preparation of reliable financial information. The Audit

Committee evaluates the internal financial control system periodically.

Your Company has adopted accounting policies which are in line with the Indian Accounting Standards notified under Section 133 of the Companies Act, 2013 read together with the Companies (Indian Accounting Standards) Rules, 2015. These are in accordance with Generally Accepted Accounting Principles in India.

IV. EXTRACT OF THE ANNUAL RETURN

Pursuant to Section 92 of the Act and Rule 12 of the Companies (Management and Administration) Rules, 2014 as amended, the extract of Annual Return in Form MGT-9 is not required to annexed to this report since it is available on the website of the Company www.shirpurgold.com.

V. SEXUAL HARASSMENT

Your Company has zero tolerance for sexual harassment at workplace and adopted a policy on prevention, prohibition and redressal of sexual harassment at workplace in line with the provisions of the Sexual Harassment of Women at work place (Prevention, Prohibition and Redressal) Act, 2013 and the Rules there under. The company has complied with provisions relating to the constitution of Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. During the year under review, no complaint on sexual harassment was received by the Company.

VI. REGULATORY ORDERS

No significant or material orders were passed by the regulators or courts or tribunals which impact the going concern status and Company's operations in future.

VII. DEPOSITS & UNCLAIMED SHARES

Your Company has not accepted any public deposits and as such no amount on account of principal or interest on public deposits under Section 73 of the Companies Act, 2013, read with Companies (Acceptance of Deposits) Rules, 2014, was remained unpaid or unclaimed as at the end of the year 31st March, 2021.

As at March 31, 2021, your Company do not have any unclaimed shares / dividend hence the provisions of the Investor Education and Protection Fund Rules are not applicable to the company.

VIII. INSURANCE & RISK MANAGEMENT

The Company has obtained adequate insurance on all of its fixed and other assets. The Company has identified the potential risks against the business of the Company and taking proper safeguards to mitigate / minimize the risks. The detailed analysis of the Risk elements are discussed under the 'Management analysis and Discussion Report'.

MANAGEMENT DISCUSSION AND ANALYSIS

The detailed analysis of the State of Company's affairs / developments is discussed under Management Discussion and Analysis section of Directors' report.

HEALTH, SAFETY & ENVIRONMENT PROTECTION

The Company is operating its plant in a manner which endeavors protection of health / safety of workers and environment. The Company is using eco-friendly technology and manufacturing facilities at its plant to ensure workers safety and health. The 'Green' initiatives taken by the Company by plantation of trees at plant site are one of the best examples of protecting environment. The Company is in compliance with all the applicable labour and environmental laws.

PARTICULARS OF EMPLOYEES

The Company has maintained cordial relations with its employees and workers. The Company has taken adequate steps to ensure safety and welfare of all its employees at plant and other places.

Requisite disclosures in terms of the provisions of Section 197 of the Act read with Rule 5 (1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is annexed to this report. None of the employee of the Company is in receipt of remuneration of ₹ 1.02 Crores per annum/ Rs 8.50 Lacs per month or more during the FY 2020-21. The information required under Rule 5 (2) & 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, will be provided upon request.

In compliance with provisions of section 136(1) of the Companies Act, 2013, the Audited Financial Statements along with other reports are sent to every member of the Company, excluding the information on employees' particulars, which is available for inspection at the Corporate Office of the company during working day (except Saturday) upto the date of ensuing Annual General Meeting. Any member who is interested in obtaining copy thereof, such member may write to the Company Secretary.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO:

The information required u/s. 217(1)(e) of the Companies Act, 1956 read with Rule 2 of the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 is furnished hereunder :

I. Energy Conservation and Technology Absorption:

Details of energy conservation, technology absorption by the Company along with the information in accordance with the provisions of Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 is annexed to this report.

II. Foreign Exchange Earning and Outgo :

Particulars of foreign currency earnings and outgo during the year are given in Note 37 & 38 to Standalone Financial Statement.

ACKNOWLEDGEMENTS

We sincerely thank all our investors, customers, suppliers, bankers, business partners/ associates, financial institutions and government authorities for their continued co-operation, trust, support and guidance. We also take this opportunity to express our deep appreciation for the contribution, hard work, dedication and commitment of all our employees who have been one of the major driving factors for the company's growth and progress.

For and on behalf of the Board

Place: Mumbai,
Date: August 18, 2021

Shankar Bhandari **Kavita Kapahi**
Director Director

Annexure to the Directors' Report

REPORT OF THE BOARD OF DIRECTORS UNDER SECTION 134 OF THE COMPANIES ACT, 2013, READ WITH COMPANIES (ACCOUNTS) RULES, 2014 FOR THE FINANCIAL YEAR ENDED ON 31ST MARCH 2021.

A. CONSERVATION OF ENERGY

Energy conservation measures taken:

Management has taken necessary steps for energy conservation. A separate functional team has been identified and assigned the work of energy management. Energy consumed is monitored day wise and separate energy report is prepared and circulated to create awareness amongst all consumers within the refinery

i) Steps taken to conserve the energy:

1. The Company has replaced most frequently used air conditioners with energy efficient air conditioners which resulted in significant power saving.
2. The Company has replaced watering pumps in garden by energy efficient pump which resulted in significant power saving.
3. The Company has earned 7 % rebate on energy bill amount by maintaining Power Factor Unity.
4. Upgradation of plant machinery has achieved more production with less power consumption (in terms of kg produced/ Unit of power) compare to previous Financial year.

ii) Steps taken to for utilizing alternate sources of energy:

1. The Company has identified Non Productive consumption of Power like Garden Irrigation, Overhead water tank Filling etc. in which segment, cost per Unit of power is less than the basic rate.
2. The water consumption for Irrigation has been reduced by introducing Drip irrigation for flower plants and Sprinklers for lawn.

iii) The capital investment on energy conservation equipment: NIL

The particulars with respect to Conservation of Energy are given in Form A.

B. TECHNOLOGY ABSORPTION& RESEARCH & DEVELOPMENT

The Company while conducting it's refinery operations uses latest technology to derive maximum benefits at minimal cost. The Company makes continuous efforts to reduce the cost of it's plant operations by identifying the areas in which improvement is possible.

The expenditure incurred on Research and Development is NIL.

For and on behalf of the Board

Place : Mumbai,
Date : August 18, 2021

Shankar Bhandari	Kavita Kapahi
Director	Director

Annexure to the Directors' Report

Form A for Disclosure of particulars with respect to Conservation of Energy

	2020-21 Total	2019-20 Total
POWER AND FUEL CONSUMPTION:		
1. Electricity :		
a) Purchased Units (KWH in Thousands)	-	263.58
Total amount (₹In Millions)	-	2.99
Rate/Unit (₹)	-	11.36
b) Own Generation :		
i. Through D G Power Plant		
Units (KWH in Thousands)	Nil	Nil
Fuel Cost / Unit (Rs)	Nil	Nil
ii. Through Diesel Generator		
Units (KWH in Thousands)	-	1.43
Fuel Cost / Unit (₹)	-	51.57
iii. Through Steam Turbine		
Generated by Coal/Oil		
Units (KWH in Thousands)	Nil	Nil
Fuel Cost / Unit (₹)	Nil	Nil
2. Coal :		
Quantity in M.T.	Nil	Nil
Total Cost (₹ In Millions)	Nil	Nil
Average Rate (₹/M.T.)	Nil	Nil
3. Furnace Oil :		
Quantity in K. Ltrs.	Nil	Nil
Total Cost (₹ In Millions)	Nil	Nil
Average Rate (₹ M.T.)	Nil	Nil
4. Others		
Quantity in M.T.	Nil	Nil
Total Cost (₹ In Millions)	Nil	Nil
Average Rate (₹/M.T.)	Nil	Nil

For and on behalf of the Board

Place : Mumbai,
Date : August 18,2021

Shankar Bhandari
Director

Kavita Kapahi
Director

Annexure to the Directors' Report

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES FOR FY 2020-21

1	A brief outline of the Company's CSR Policy including overview of projects or programs proposed to be undertaken and a reference to the weblink to the CSR policy and projects or programs	<p>Pursuant to Section 135 of the Companies Act, 2013, the Corporate Social Responsibility Committee of the Board had approved a CSR Policy with primary focus on Education, Healthcare, Women Empowerment and Sports. Besides these focus areas the Company shall also undertake any other CSR activities listed in Schedule VII of the Companies Act, 2013.</p> <p>The CSR Policy of the Company is displayed on www.shirpurgold.com</p>
2	The Composition of CSR Committee	As on March 31, 2021, the CSR Committee of the Board comprises of 3 Directors. Ms. Kavita Kapahi, Independent Director as Chairperson, Mr. Anish Goel, Independent Director and Mr. Manoj Agarwal, Independent Director as members.
3	Average net profit of the Company for last three financial year	₹ (461.36) Million
4	Prescribed CSR expenditure (2 % of the average net profits for last three years)	NIL
5	Details of CSR spent during FY a) Amount to be spent in FY (including unspent amount of earlier years) b) Unspent Amount c) Amount Spent d) Areas where spent	₹ 10.80 Million ₹ 10.80 Million NIL NA Due to insufficient operational cash flows, the Company couldn't spent outstanding CSR expenditure of preceding years.

The CSR committee certifies that the implementation and monitoring of the CSR policy is in compliance with the CSR objectives and Policy of the Company.

Place : Mumbai,
Date : August 18, 2021

Kavita Kapahi
Director

Annexure to the Directors' Report

The Information Required under Section 197 of the Act read with rule 5(1) Of The Companies (Appointment & Remuneration Of Managerial Personnel) Rules, 2014

- A. Remuneration of each Director & Key Managerial Personnel, percentage of increase during the FY 2020-21, the ratio of the remuneration of each of the director to the median remuneration of the employees of the company for the financial year 2020-21.

Name of the Director / Key Managerial Personnel	Total Remuneration (₹ in Millions)	% increase in remuneration	Ratio of Remuneration of director to the Median remuneration
Non-Executive Directors			
Amit Goenka	-	-	-
Prakash Chandra Pandey	-	-	-
Shankar Bhandari	-	-	-
Manoj Agarwal	0.12	-	0.46:1
Anish Goel	-	-	-
Kavita Kapahi	0.19	-	0.72:1
Key Managerial Personnel			
*Ashok Sanghavi	5.00	-	NA
**Shyamal Padhiar	5.13	-	NA

Notes :

- The Company does not have any Executive Director.
- The Company has paid remuneration to it's Directors by way of sitting fees only.
- *Mr. Ashok Sanghavi resigned w.e.f. 03.12.2020.
- ** Mr. Shyamal Padhiar was paid remuneration for the period from April 2020 to July 2020 only.
 - Percentage increase in the median remuneration of employees in the financial year 2020-21 is NIL
 - The Company has NIL Permanent employees on the rolls of the Company as on March 31, 2021.
 - Average increase in the salaries of the employees other than the managerial personnel during the financial year 2020-21 was NIL while average increase in the managerial remuneration was NIL.
 - The Company hereby affirms that the remuneration paid to managerial personnel is as per the remuneration policy of the company.

Annexure to the Directors' Report

FORM NO MR-3

SECRETARIAL AUDIT REPORT For the financial Year ended March 31, 2021

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

To,
The Members,
Shirpur Gold Refinery Limited
CIN No-L51900MH1984PLC034501

I have conducted Secretarial Audit of compliance of applicable statutory provisions and the adherence to good corporate practices by **Shirpur Gold Refinery 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 sent to me via email, the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, the explanations and clarification given to me and the representations made by the Management and considering the relaxations granted by the Ministry of Corporate Affairs and Securities and Exchange Board of India warranted due to the spread of the COVID19 pandemic, I hereby report that in my opinion, the company has, during the period covering the financial year ended on March 31, 2021 (hereinafter referred to as "Audit Period") generally complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

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 March 31, 2021 according to the provisions of:

- i. The Companies Act, 2013 (the Act) and the rules made thereunder;
- ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- iv. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India (Amendment) Act, 2013 ('SEBI Act'):
 - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 - Not applicable as no compliance required by Company;
 - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - c. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI LODR');
 - d. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 - Not applicable during the Audit Period;
 - e. The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 - Not applicable during the Audit Period;
 - f. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 - Not applicable during the Audit Period;
 - g. 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;
 - h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 - Not applicable during the Audit Period; and
 - i. The Securities and Exchange Board of India (Depositories And Participants) Regulations, 2018 ('SEBI DP Regulations').
- vi. The following laws specifically applicable to the industry to which the Company belongs, as identified, and compliance whereof as confirmed, by the management:

- a. Factories Act, 1948
- b. Industrial Dispute Act, 1947
- c. Payment of Wages Act, 1936
- d. Minimum Wages Act, 1948
- e. Employee State Insurance Act, 1948
- f. Employee Provident Fund and Miscellaneous Provisions Act, 1952
- g. Payment of Bonus Act, 1965
- h. Payment of Gratuity Act 1972
- i. The Contract Labour (Regulation and Abolition) Act, 1970
- j. Maternity Benefits Act, 1961
- k. The Industrial Employment (Standing Orders) Act, 1946
- l. Employees Compensation Act, 1923 (earlier known as Workmen Compensation Act, 1906)
- m. Equal Remuneration Act, 1976
- n. Environmental Laws
- o. The Bombay Shop Establishments Act, 1948
- p. Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

I have relied on the representation made by the Company, its officers and Reports of the Statutory Auditor for systems and mechanism framed by the Company for compliances under other Acts, Laws and Regulations applicable to the Company as listed in point (vi) above.

I have also examined compliance with the applicable requirements of the following:

- a. Secretarial Standards issued by the Institute of Company Secretaries of India with respect to board and general meetings.
- b. The Listing Agreements entered by the Company with National Stock Exchange of India Ltd and BSE Limited read with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the Audit period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards etc., mentioned above, subject to following observations:

- i. As at March 31, 2021, Directors Identification Number issued to one of the Directors of the Company Mr. Amit Goenka (DIN 00017707) stands de-activated due to non-filing of DIR-3 KYC.
- ii. As at March 31, 2021, the Company had Key Managerial Personnel (KMP) only in the category of Company Secretary and therefore was not in compliance with the requirements of Section 203 of the Companies Act, 2013. The vacancy caused in the office of Chief Financial Officer due to resignation w.e.f. December 3, 2020 and Manager (nominated as KMP in the category of CEO) due to resignation w.e.f. December 6, 2019, has not been filled as on date of this report.
- iii. As on the date of report the company has not filed Audited Financial Statement in Form AOC-4 XBRL for FY 2019-20. The Annual General Meeting for adoption of Audited Accounts for FY 2019-20 was held on 31.12.2020.
- iv. The Company had outstanding CSR Provisions of preceding years aggregating to ₹ 107.99 Lakhs, which were not spent on the objects prescribed under Section 135 of the Companies Act, 2013.
- v. The Company had not filed Annual Performance Report in Form ODI for FY 2019-20 in connection with operations of its Wholly Owned Overseas Subsidiary M/s. Shirpur Gold DMCC, Dubai (erstwhile Zee Gold DMCC till 23.01.2020) and has accordingly not complied with the requirements of Foreign Exchange Management (Transfer or Issue of any Foreign Security) Regulations, 2004.
- vi. During the Audit period the Company has not complied with following requirements of SEBI regulations:

Sr. No.	Compliance Requirement	Deviations
1	Reg 7(3) of SEBI LODR	Delay in filing of Half-yearly Certificate of Common Share Registry for half-year ended September 30, 2020
2	Reg 13(3) of SEBI LODR	Delay of 1 day in filing Statement of Investors complaint for quarter ended June 30, 2020 with NSE
3	Reg 14 of SEBI LODR	Listing Fees for FY 2020-21 not paid
4	Reg 17(1)(c) of SEBI LODR	Company forms part of top 2000 Companies based on Market Cap in NSE as at March 31, 2020 and had 4 Directors during the period from April 1, 2020 till March 10, 2021 and therefore the Board constitution was not in compliance with Regulation 17(1)(c).
5	Reg 31 of SEBI LODR	Delay in filing Shareholding Pattern for quarter ended June 30, 2020 and September 30, 2020
6	Reg 33(2)(a) of SEBI LODR	Since Company did not have CEO & CFO (w.e.f. 03.12.2020) the CEO-CFO certificate for financials of Q3 ended on 31.12.2020 was signed by 2 Directors. Further since there was no CEO during year, the CEO-CFO certificate for all quarterly financials were signed by Directors in place of CEO
7	Regulation 40(9) of SEBI LODR	Delay in filing Certificate from Practicing Company Secretary for half-year ended September 30, 2020
8	Reg 46 & various other SEBI LODR	Company's website is not operational and therefore status of uploading policies and other filings on website could not be verified.
9	Reg 76 of SEBI DP Regulations	Delay in filing Reconciliation of Share Capital Audit report for quarter ended September 30, 2020

vii. During the Audit period, National Stock Exchange of India Limited (NSE) & BSE Limited (BSE) had issued Notices for violations of Reg 6(1), 7(1), 7(3), 17(1) and 31 of SEBI LODR and Regulation 76 of SEBI DP regulations and consequent to non-payment of fines levied by the Stock Exchanges in connection with above violations, trading of Shares of the Company on the Stock Exchanges has been suspended since February 12, 2021;

viii. During the Audit period the Company's manufacturing operations was temporarily on hold since February 2020 due to paucity of funds, the notice from lenders for possession of

factory premises and various legal and regulatory actions against the Company. Most of the workers were laid-off in February 2020.

In view of the foregoing, most of the provisions of Factories Act, 1948, Industrial Dispute Act, 1947, Payment of Wages Act, 1936, Minimum Wages Act, 1948, Employee State Insurance Act, 1948, Employee Provident Fund and Miscellaneous Provisions Act, 1952, Payment of Bonus Act, 1965, Payment of Gratuity Act 1972, The Contract Labour (Regulation and Abolition) Act, 1970, Maternity Benefits Act, 1961, The Industrial Employment (Standing Orders) Act, 1946, Employees Compensation Act, 1923 (earlier known as

Workmen Compensation Act, 1906), Equal Remuneration Act, 1976, Environmental Laws were not applicable for major part of year. The Company had not renewed factory license & did not have Manager, as required under Factories Act, 1948.

I further report that:

As at March 31, 2021, the Board of Directors of the Company is duly constituted with proper balance of Non-Executive Directors and Independent Directors. The Company did not have Key Managerial Personnel in the category of Chief Executive Officer and Chief Financial Officer. The changes in composition of Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Except in case of meeting(s) convened and held at shorter notice, adequate notice was 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 for meaningful participation at the meeting. As represented by the Management and recorded in the Minutes the decision 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.

I further report that during the Audit Period, the Company had the following specific events:

- i. As reported in previous year and as informed by the Company, three (3) lender banks and a financial institution ('the Lenders'), having outstanding dues amounting to ₹ 34,087.41 Lakhs (as at March 31, 2021) including amount of Bank Guarantees invoked, interest and penal charges of ₹ 5,770.45 Lakhs have been classified as Non-Performing Assets due to default in the repayment and non-compliance of the terms and conditions.

The Lender banks had recalled loan outstanding and issued notice for constructive possession of the Company's factory at Shirpur, Dhule District, Maharashtra. However no further action has been taken by the said Lenders in this connection.

An independent auditor appointed by the lenders to carry out audit of the books of accounts of the Company, had completed his assignment and submitted report to the Lender Bank. The Management is yet to receive any response from the Bank in respect of said report.

Further as reported earlier, the Company management is in continuous discussions with the Lenders for the scheme of restructuring the said overdues and negotiation with the Lenders is under way for amicable settlement.

- ii. The manufacturing and trading activities of the Company are temporarily on hold since February 2020, due to paucity of funds, notice from lenders for possession of the factory premises and various legal and regulatory actions against the Company.

Limitations

It may be noted that due to lockdown and social distancing guidelines for containment of spread of Covid-19, the documents, registers, records, forms etc., could not be verified physically by me, as the same were maintained by the Company at their corporate office and/or registered office. While all possible steps were taken to verify records made available by the Company through electronic medium and requisite confirmations were taken from the Company, wherever required, the audit was done subject to limitation of availability and physical verification of certain documents.

MITA SANGHAVI

Practicing Company Secretary

FCS No.7205

CP No. 6364

UDINF007205C000546471

Place: Mumbai

Date: June 30, 2021

This report is to be read with our letter of even date which is annexed as Annexure A and forms an integral part of this report

Annexure A

To,
The Members,
Shirpur Gold Refinery Limited
CIN No-L51900MH1984PLC034501

My Secretarial Audit report for financial year ended on March 31, 2021, of even date is to be read along with this letter.

- i. Maintenance of secretarial record is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on audit.
- ii. I have followed the audit practices and the processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification, including verification of electronic record, was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices, I followed provide a reasonable basis for our opinion.
- iii. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company. Further the compliance of applicable financial laws including Direct and Indirect Tax laws by the Company has not been reviewed in this Audit since the same has been subject to review by the Statutory Auditors and other designated professionals.
- iv. Wherever required, I have obtained the management representation about the compliance of laws, rules and regulations and happening of events etc.
- v. The Compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. My examination was limited to the verification of procedure on test basis.
- vi. 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.

Limitations

It may be noted that due to lockdown and social distancing guidelines for containment of spread of Covid-19, the documents, registers, records, forms etc., could not be verified physically by me, as the same were maintained by the Company at their corporate office and/or registered office. While all possible steps were taken to verify records made available by the Company through electronic medium and requisite confirmations were taken from the Company, wherever required, the audit was done subject to limitation of availability and physical verification of certain documents.

MITA SANGHAVI

Practicing Company Secretary
FCS No.7205
CP No. 6364
UDINF007205C000546471

Date: June 30, 2021
Place: Mumbai

Annexure to the Directors' Report

Statement Containing Silent Features of the Financial Statement of Subsidiaries/Associates/Joint Venture as per the companies act, 2013 for the year ended March 31,2021

Name of the Subsidiary	Zee Gold DMCC	Precious Metal Mining & Refining Limited*	Metalli Exploration & Mining Limited*
Currency			
Share Capital	18,450,000	25,000	1,000,000
Other Equity	20,657,273	(25,000)	
Total Assets	159,512,828		919,279,549
Total Liabilities (Excluding Equity)	120,405,555		918,279,549
Investments (Other than Subsidiary)	-		
Turnover	2,161,489,724		-
Profit before Taxation	6,384,367		-
Provision for Taxation	-		
Profit after Taxation	6,384,367		-
Dividend proposed/Paid	-		
% of Shareholding	100%	100%	70%

1.* Held through Shirpur Gold DMCC

2. The Company do not have any Associates/Joint Venture.

3. As on March 31, 2021 = 1 AED = ₹ 19.9466 1 Kina = ₹21.04 & 1FCFA = ₹0.13

By Order of the Board

Place: Mumbai

Date: August 18, 2021

Shankar Bhandari

Director

Information under section 186 (4)

	2020	Given	Repaid	2021
Loans & advances given Wholly owned subsidiary includes foreign currency realignment	56.73	2.17		58.9

Notes:

- All Loans are given to Wholly owned subsidiary entities on interest
- All the advances are provided for business purposes of respective entities, repayable on demand with prepayment option to the borrower

b) Investments made

There is no investments by the Company other than those stated under Note No.3 in the Financial Statements

c) Guarantee given

(₹ Millions)

Name of Party	Particulars	Purpose	2021	2020
Shirpur Gold DMCC	SBLC Issued	Financing Facilities/Loans	1000	1000
Shirpur Gold DMCC	Corporate Guarantee	Financing Facilities/Loans	*735.05	753.86

* 10 Million USD converted @ 73.505 (75.386)

d) Securities given

There are no securities given during the year

Auditors' Certificate on Compliance of Corporate Governance

To,
The Members of
Shirpur Gold Refinery Limited

1. This certificate is issued in accordance with the terms of our engagement letter dated 04th October 2019.
2. This report contains details of compliance of conditions of Corporate Governance by Shirpur Gold Refinery Limited., ("the Company") for the year ended 31 March 2021, as stipulated in Regulation 17 to 27; Regulation 46(2) and paragraphs C, D & E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (collectively referred to as "SEBI Listing Regulations"), pursuant to the Listing Agreement of the Company with Stock Exchanges.

Management's Responsibility

3. The compliance with the conditions of Corporate Governance is the responsibility of the Company's Management, including the preparation and maintenance of all relevant supporting, records and documents. This responsibility includes the design, the implementation and maintenance of internal control and procedure to ensure the compliance with the condition of the Corporate Governance, stipulated in the SEBI Listing Regulations.

Auditor's Responsibility

4. Our responsibility is limited to examine 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.
5. Pursuant to the requirements of the SEBI Listing Regulations, it is our responsibility to provide a reasonable assurance whether the Company has complied with conditions of Corporate Governance as stipulated in the SEBI Listing Regulations, for the year ended 31 March 2021.
6. We conducted our examination in accordance with the Guidance Note on Reports or Certification for Special Purposes, Guidance Note on Certification of Corporate Governance, both issued by the Institute of Chartered Accountants of India ('ICAI') and the Standards on Auditing specified under Section 143(10) of the Companies Act 2013, in so far as applicable for the purpose of this Certificate. The Guidance Note on Reports or Certificates for Special Purposes requires that we comply with the ethical requirements of the Code of Ethics, issued by ICAI.
7. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for firms that performs Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

Opinion

8. 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; Regulation 46(2) and paragraphs C,D and E of the Schedule V of the Listing Regulations except as under :

S.No.	Regulation	Particulars
1	Reg 17(1)(c) of SEBI LODR	Company forms part of top 2000 Companies based on Market Cap in NSE as at March 31, 2020 and had 4 Directors during the period from April 1, 2020 till March 10, 2021 and therefore the Board constitution was not in compliance with Regulation 17(1)(c).
2	Reg46(2) of SEBI LODR	Company's website is not operational and therefore status of uploading policies and other filings on website could not be verified.

9. We state that such compliance is neither an assurance as to the future viability of the Company nor as to the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Restrictions on use

This certificate is issued solely for the purpose of complying with the aforesaid regulation and may not be suitable for any other purpose.

For Parikh & Parikh,
Chartered Accounts
FR No 107526W

CA MILAN G PARIKH
Proprietor
Membership No. 038557
UDIN: 21038557AAAALf1558

Place: Mumbai
Date: 1st September, 2021

Corporate Governance Report

Corporate Governance Philosophy

Corporate Governance Philosophy of Shirpur Gold Refinery Limited ("the Company") stems from its belief that the Company's business strategy, plans and decisions should be consistent with the welfare of all its stakeholders, including shareholders. Good Corporate Governance practices enable a Company to attract financial and human capital and leverage these resources to maximize long-term shareholder value, while preserving the interests of multiple stakeholders, including the society at large. Corporate Governance at Shirpur Gold is founded upon 4 pillars of Core Values viz, Transparency, Integrity, Honesty and Accountability. The Board is committed to achieve and maintain highest standards of Corporate Governance on an ongoing basis.

A report on compliance with the principles of Corporate Governance as prescribed under Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations) is given below:

BOARD OF DIRECTORS

Composition and Category of Directors

Your Company has a balanced Board containing majority of Non-Executive and Independent Directors to ensure independent functioning and the current composition of the Board is in conformity with the requirements of Regulation 17(1) of Listing Regulations.

Composition of the Board as on 31st March, 2021

Category of Directors	No. of Directors	% to total No. of Directors
Executive Director	0	0.00
Non-Executive Independent Directors	3	50.00
Other Non-Executive Directors	3	50.00
Total	6	100.00

The Policy on criteria for nomination of a person on the Board, as decided by the Nomination and Remuneration Committee suggests that the Board should comprise of Directors with qualification/experience in various areas to enable the Board to function effectively. In line with the said criteria, currently the Board of the Company, comprises of Directors with qualification/experience in Finance, Legal, Social Welfare & Technology with experience in varied Industry.

Independent Directors of the Company provide appropriate and annual certifications to the Board confirming satisfaction of the conditions of their being independent as laid down in Section 149(6) of the Companies Act, 2013 and Regulation 16(1)(b) of Listing Regulations. In opinion of the Board, the Independent Directors fulfil the conditions specified in the Listing Regulations and are independent of the management.

During the financial year under review, four (4) meetings of the Board of Directors were held on 30th July, 2020, 14th September, 2020, 6th November, 2020 and 12th February, 2021.

Particulars of Directors, their attendance at the Annual General Meeting and Board Meetings held during the financial year 2020-21 and also their other directorships in Public Companies (excluding Foreign Companies and Section 8 Companies) and Membership/ Chairmanship of Audit and Stakeholders' Relationship Committees of other Companies as at 31st March 2021 are as under:

Name of Director	Attendance at		No. of Directorships of other Public Companies	No. of Committee Position held in other public companies as	
	Board Meetings (6 meetings)	35 th AGM held on 31.12.2020		Member	Member
Mr. Amit Goenka	1	No	-	-	-
Mr. Anish Goel	4	No	-	-	-
Mr. Manoj Agarwal	3	Yes	2	1	-
Ms. Kavita Kapahi	4	Yes	2	1	-
Mr. Prakash Chandra Pandey	-	-	-	-	-
Mr. Shankar Bhandari	-	-	-	-	-

Notes :

- Committee positions include Membership / Chairmanship of the Audit Committee and Stakeholders Relationship Committee of Indian Public Companies.
- None of the Directors held directorship in more than 8 listed companies. Further none of the Independent Directors of the Company served as Independent Director in more than 7 listed Companies.
- None of the Directors held directorship in more than 20 Indian Companies, with not more than 10 public limited companies.
- None of the Directors is a member of more than 10 Committees or Chairperson of more than 5 Committees across all the Public Limited Companies in which he/she is Director. As per Listing Regulations, only membership of Audit Committee and Stakeholders Relationship Committee have been taken into consideration for the purpose of ascertaining the limit.
- None of the Directors of the Company holding any shares as at March 31, 2021. None of the Directors are related to each other.

During the year under review, Mr. Prakash Chandra Pandey and Mr. Shankar Bhandari were appointed as Non Executive Non Independent Director w.e.f. 11th March, 2021.

Details of Directorship of Directors in other Listed entities as at March 31, 2021 are as under:

Name of the Director	Directorship in other Listed Entities
Amit Goenka	None
Manoj Agarwal	Diligent Media Corporation Limited as Independent Director
Anish Goel	None
Kavita Kapahi	SITI Networks Ltd as Independent Director
Prakash Chandra Pandey	None
Shankar Bhandari	None

Board Procedure

The Schedule of Board Meetings to approve quarterly /annual Financial Results are decided at the beginning of the financial year. The Board meetings are generally held at Mumbai. The agenda along with the explanatory notes are sent to the Directors well in advance to enable them to take informed decisions. All relevant information required to be placed before the Board of Directors as per provisions of Listing Regulations, are considered and taken on record/ approved by the Board. Any Board member may, in consultation with the Chairman and with the consent of all Independent Directors present at the meeting, bring up any matter at the meeting for consideration by the Board. The Chief Financial Officer are invited to the Board meetings to provide necessary insights into the operations / working of the Company and for discussing corporate strategies. The Board periodically reviews compliance reports in respect of various laws and regulations applicable to the Company.

Independent Directors Meeting & Board Evaluation Process

In compliance with the requirements of Regulation 25 of Listing Regulations and Section 149 read with Schedule IV of the Companies Act, 2013, the Independent Directors of the Company met on March 19, 2021 to evaluate performance of the Board / Board Committees and review of flow of information between the management and the Board. The evaluation process was carried out based on an assessment sheet structured in line with ICSI guidance note and the guidance note issued by SEBI in this regard.

The parameters for evaluation of performance of the Board & Board Committees include the structure & composition, contents of agenda, quality and timelines of information provided, decision-making process & review thereof, attention to the Company's long-term strategic issues, evaluation of strategic risks, overseeing and review of major plans of action, divestment, etc.

The performance of each of the Independent Directors was also evaluated taking into account the time devoted, attention given to professional obligations for independent decision making, contribution towards providing strategic guidance, determining important policies, utilising their expertise, independent judgment that contributes objectively in the Board's deliberations - particularly on issues of strategy, performance and conflict management etc.

Familiarization Program for Independent Directors

Independent Directors are familiarized with their roles, rights and responsibilities at the time of their appointment as Directors and regular presentations are made to the Board / Board Committees covering business strategies, management structure, periodic financial results, budgets and operations of subsidiaries etc. The details of familiarization program can be viewed at Company's website at www.shirpurgold.com

Code of Conduct

The Company has also adopted a Code of Conduct for the Members of the Board of Directors and Senior Management, and all the Directors and senior functionaries as defined in the said Code provide their annual confirmation of compliance with the Code. The Code can be viewed on Company's website at www.shirpurgold.com. The role and responsibilities of Independent Directors as prescribed in Schedule IV of the Companies Act, 2013 and/ or prescribed in the Listing Regulations forms part of the appointment letters issued to Independent Directors.

A declaration affirming compliance with the Code of Conduct by the members of the Board and senior management personnel is given below:

Declaration

I confirm that the Company has obtained from all Directors and Senior Management Personnel of the Company their affirmation of compliance with the Code of Conduct for Members of the Board and Senior Management of the Company for the financial year ended 31st March 2021

Amit Goenka
Director

Mumbai, 30th June, 2021

Board Committees

Particulars of the Meeting of the Board Committees held during the year along with details of Directors attendance at such meetings are detailed herein:

	Audit Committee Committee	Nomination & Remuneration Committee	Stakeholder's Relationship Committee	Corporate Social Responsibility Committee
No. of Meeting held	4	1	1	-
Directors' Attendance				
Mr. Anish Goel	4	1	1	-
Mr. Manoj Agarwal	3	-	1	-
Ms. Kavita Kapahi	4	1	1	-

Details of Board Committees

A) Audit Committee

Constitution

As at March 31, 2021, the Audit Committee comprised of three (3) Directors including Mr. Manoj Agarwal, Independent Director as Chairman, Mr. Anish Goel, Independent Director, and Ms. Kavita Kapahi, Independent Director as its Members. During the year under review, there was no changes in the composition of the Audit Committee.

During the year under review, four (4) Audit Committee meetings were held on 30th July,2020, 14th September,2020, 6th November,2020 and 12th February,2021.

Terms of reference

The terms of reference are as set out in Regulation 18 of Listing Regulations and Section 177 of the Companies Act, 2013. The terms of reference of the Audit Committee broadly includes:

- Review of Company's Accounting and financial reporting process
- Review and recommend for approval of the Board quarterly, half yearly and annual financial statements before submission to the Board for approval.
- Review of Internal Audit Reports, risk management policies and reports on internal control system
- Reviewing, with the management, performance of statutory and internal auditors, and adequacy of the internal control systems.

- Review of related party transactions.
- Recommend to the Board the appointment, re-appointment and removal of the statutory auditor, Internal Auditors, Cost Auditors and fixation of their remuneration.
- Discussion of Internal Audit Reports with internal auditors and significant findings and follow-up thereon and in particular internal control weaknesses.

Audit Committee meetings are generally attended by the Chief Financial Officer and the Statutory Auditors of the Company. The Company Secretary acts as the Secretary of the Audit Committee.

B) Nomination & Remuneration Committee

Constitution

As on March 31,2021, Nomination & Remuneration Committee comprised of Mr. Manoj Agarwal, Independent Director as Chairman, Mr. Anish Goel, Non-Executive Independent Director and Ms. Kavita Kapahi, Non-Executive Independent Director as its Members. The Company Secretary is the Secretary of the Committee. During the year under review, there was no changes in the composition of this Committee.

During the year under review, the Nomination and Remuneration Committee met once on 11th March,2021.

Terms of reference

The terms of reference of the Committee , inter alia, includes:

- Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down and recommending their appointment and removal to the Board;

- carrying out evaluation of every director's performance;
- Formulating criteria for determining qualification, positive attributes and independence of a Director and recommend to the Board a policy relating to the remuneration for the directors, key managerial personnel and other employees;
- Ensuring that the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the Company successfully;
- Ensuring that relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
- Recommending appointment / remuneration of directors, key managerial personnel and senior management involving a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals.
- Administration and implementation of Company's Employees Stock Option Scheme.

Remuneration Policy

The guiding principle of the remuneration policy of the Company is that the remuneration and other terms of engagement / employment shall be competitive enough to ensure that the Company is in a position to attract, retain and motivate right kind of human resource(s) for achieving the desired growth set by the Company's management year on year thereby creating long-term value for all stakeholders of the Company.

The Remuneration Policy of the Company can be accessed on Company's website – www.shirpurgold.com.

Remuneration Paid to Executive Directors

The Company does not have any Executive Director.

Remuneration Paid to Non - Executive Directors

All Non-Executive directors except Mr.Amit Goenka, Mr.Anish Goel, Mr. Prakash Chandra Pandey and Mr. Shankar Bhandari were paid sitting fees @ ₹20,000/- per meeting for attending meetings of the Board and/or its Committees except Stakeholders' Relationship Committee and Finance Committee. The details of sitting fees paid are as under:

S.No.	Name of the Director	Total Sitting Fees paid (₹ In Millions)
1	*Mr. Amit Goenka	-
2	*Mr. Anish Goel	-
3	Mr. Manoj Agarwal	0.12
4	Ms. Kavita Kapahi	0.19
5	*Mr. Prakash Chandra Pandey	-
6	*Mr. Shankar Bhandari	-
Total		0.31[^]

* Voluntarily waived sitting fees.

Sitting fees payable for attending Board / Audit Committee had been revised to ₹ 10,000/- per meeting effective from 01.03.2021

[^] The sitting fees are o/s and payable as on March 31,2021.

The Non-Executive Independent Directors do not have any other material pecuniary relationships or transactions with the Company or its directors, senior management, subsidiary or associate, other than in the normal course of business.

C) Stakeholders Relationship Committee

Constitution

As on March 31, 2021, the Stakeholders Relationship Committee comprised of Mr. Manoj Agarwal, Non-Executive Independent Director as Chairman and Mr. Anish Goel, Non- Executive Director and Ms. Kavita Kapahi, Non-Executive Director as its Members. The Company Secretary is the secretary to the Committee.

During the year under review, there was no changes in the composition of this Committee.

During the year under review, the Stakeholders Relationship Committee met once on 12th February,2021

Terms of reference

In line with amendment to the Listing regulations the terms of reference of Stakeholders Relationship Committee was revised effective April 1, 2019 to include resolving investors grievances / complaints; review measures taken for effective exercise of voting rights; review adherence of service standards by Company and RTA etc. The Committee has delegated various powers including approving requests for transfer, transmission, issue of duplicate shares, rematerialisation and dematerialization, etc. of equity shares, to the Company Secretary of the Company and Mr. Shyamal Padhiar, the Company Secretary, being the Compliance Officer, is entrusted with the responsibility, to specifically look

into the redressal of the shareholders and investors complaints and report the same to Stakeholders Relationship Committee.

No complaints / investors grievances were pending at the beginning of financial year. The Company has received two complaints during the financial year 2020-21 which was resolved and there was no complaints pending at the end of financial year 2020-21.

D) Corporate Social Responsibility Committee

In compliance with the requirements of Section 135 of the Companies Act, 2013 read with Schedule VII and Companies (Corporate Social Responsibility Policy) Rules, 2014, the Board has constituted Corporate Social Responsibility (CSR) Committee. As on March 31, 2021, the Committee comprised of Ms. Kavita Kapahi, Non-Executive Director as Chairperson, Mr. Anish Goel, Independent Director and Mr. Manoj Agarwal, Independent Director as its members. During the year under review, there was no change in the composition of this Committee. The Company Secretary is the Secretary of the Committee.

Terms of reference

Terms of reference and the scope of the CSR Committee inter alia include (a) consideration and approval of the proposals for CSR spends; and (b) review of monitoring reports on the implementation of CSR projects funded by the Company.

During the year under review, there was no Corporate Social Responsibility Committee meeting held.

Other Board Committees

In addition to the above, the Board has constituted following Committees to exercise powers delegated by the Board as per the scope mentioned herein:

Finance Sub-Committee

With a view to facilitate monitoring and expediting any debt fund raising process, approve financing facilities offered and/or sanctioned to the Company by various Banks and/or Indian Financial Institutions from time to time, in the form of Term Loans, Working Capital facilities, Guarantee facilities etc. including the acceptance of terms and conditions of such facilities being offered and exercising such other authorities as may be delegated by the Board from time to time, comprising of, Mr. Anish Goel, Non-Executive Director as Chairman and Mr. Manoj Agarwal, Independent Director as its Member.

These Committees meet as and when required to deliberate and decide on various matters within their respective scope or powers delegated by the Board.

General Meetings

The 36th Annual General Meeting of the Company for the Financial Year 2020-21 will be held at the registered office of the Company at Refinery Site, Shirpur, Dist. Dhule, Maharashtra 425 405.

The location, date and time of the Annual General Meetings held during last 3 years along with Special Resolution(s) passed thereat are as follows:

Year	Date and Time	Special Resolutions passed	Venue
2019-20	31.12.2020 – 10.00 a.m.	-	Refinery Site, Sharper, Dist – Dhule, Maharashtra – 425 405
2018-19	30.09.2019 – 12.30 p.m.	Re-appointment of Ms. Kavita Kapahi as an Independent Director for second term of 5 years Register of Members and other documents to be kept and maintained at the office of the Company's Registrar at Mumbai	
2017-18	29.09.2018 – 2.00 p.m.	1. Re-appointment of Mr. Anish Goel as an Independent Director for second term of 5 years 2. Re-appointment of Mr. Manoj Agarwal as an Independent Director for second term of 5 years 3. Re-appointment of Mr. Subhash Pareek as Manager for a period of 3 years	

All the above Special resolutions were passed with requisite majority.

Postal Ballot

During the year, no resolution was passed through Postal Ballot.

None of the resolution(s) proposed at the ensuing 36th Annual General Meeting requires to be put through Postal Ballot.

Means of Communication

The Company has promptly reported all material information including declaration of quarterly financial results, press releases etc., to all Stock Exchanges where the shares of the Company are listed. Such information is also simultaneously displayed on the Company's website www.shirpurgold.com. The financial results, quarterly, half yearly and annual results and other statutory information were communicated to the shareholders by way of advertisement in a English newspaper 'Free Press Journal' and in a vernacular language newspaper 'Navshakti (Marathi)' as per the requirements of the Stock Exchanges and requisite information are filed on electronic platform with Stock Exchange(s) in compliance with the SEBI Listing Regulations.

In compliance with Regulation 46 of the Listing Regulations, a separate dedicated section under 'Investors' on the Company's website gives information on various announcements made by the Company, Annual Report, quarterly / half-yearly / annual financial statements, Shareholding patterns, Stock Exchange filings along with applicable policies of the Company. Official news releases and presentations made to institutional investors or to the analysts, if any, are displayed on Company's *website www.shirpurgold.com.

*Company's website was operational till it was crashed due to technical glitch on the part of service provider hosting domain of the Company. The Company is trying to have dialogue with service provider to resolve the issue.

Management Discussion and Analysis Report forming part of this Annual Report is annexed separately.

GENERAL SHAREHOLDER INFORMATION

1	Date, Time and Venue of Shareholder's Meeting	<p>Meeting : Annual General Meeting</p> <p>Day and Date : Thursday, 30th September, 2021</p> <p>Time : 10.00 a.m.</p> <p>Venue : Registered Office at Refinery Site, Shirpur 425 405, Dist. Dhule, Maharashtra</p>
2	Financial Year	1st April, 2020 to 31st March 2021
3	Date of Book Closure	Thursday, 23rd September, 2021 to Thursday, 30th September, 2021
4	Dividend Payment Date	The Company has not declared any dividend for the financial year 2020-21.
5	Registered office /Plant Location	<p>Refinery Site, Shirpur, Dist. Dhule, Maharashtra - 425405</p> <p>Tel: 02563 258001 Fax: 02563 261357</p> <p>Website: www.shirpurgold.com</p>
6	Corporate Office	<p>135, Continental Building, Dr. A.B. Road, Worli, Mumbai - 400 018</p> <p>Tel: 022 7108 5486 Fax: 022 7154 5940</p> <p>E-mail: investorinfo@shirpurgold.com</p>
7	Listing on Stock Exchanges	<p>BSE Limited (BSE)</p> <p>National Stock Exchange of India Limited (NSE)</p> <p>The Company has not paid requisite Listing Fees to the Stock Exchanges for FY 2020-21. The Company's Securities have been suspended from trading w.e.f. 12th February, 2021.</p>
8	Stock Code	<p>BSE 512289</p> <p>NSE SHIRPUR-G</p>
9	ISIN No.	Equity -INE196B01016
10	Corporate Identity Number	L51900MH1984PLC034501
11	Registrar and Share Transfer Agent	<p>M/s Link Intime India Pvt.Ltd.</p> <p>C 101, 247 Park, LBS Marg, Vikhroli(West), Mumbai - 400 083.</p> <p>Tel : +91 22- 4918 6000 Fax : +91 22-4918 6060</p> <p>E-Mail: rnt.helpdesk@linkintime.co.in</p>
12	Investor Relation Officer	<p>Mr. Shyamal Padhiar, Company Secretary</p> <p>135, Continental Building, Dr.A.B.Road, Worli, Mumbai - 400 018.</p> <p>Tel: 022 7108 5486 Fax: 022 7154 5940</p> <p>E-mail: investorinfo@shirpurgold.com</p>

13 PAN & Change of Address

Members holding equity share in physical form are requested to notify the change of address/ dividend mandate, if any, to the Company's Registrar & Share Transfer Agent, at the address mentioned above.

The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding equity share in dematerialised form are requested to submit their PAN, notify the change of address/dividend mandate, if any, to their respective Depository Participant (DP). Members holding shares in physical form can submit their PAN, notify the change of address/dividend mandate, if any, to the Company/ Registrar & Share Transfer Agent.

14 Share Transfer System

Equity Shares sent for physical transfer or for dematerialization are generally registered and returned within a period of 7 days from the date of receipt of completed and validly executed documents.

15 Dematerialization of Equity Shares and Liquidity

To facilitate trading of Equity shares of the Company in dematerialised form, the Company has made arrangements with both the depositories viz. National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). Shareholders can open account with any of the Depository Participant registered with any of these two depositories. The Equity shares of the Company are in the list of scrips specified by SEBI to be compulsory traded in the Dematerialized form. As on 31st March 2021, 99.76% of the total issued and paid-up Equity Share capital of the Company were held in Dematerialized form and the balance 0.24% is held in physical form. Entire shareholding of the promoter in the Company is held in dematerialised form.

16 Unclaimed Shares

As per Clause 5A of the Listing Agreement inserted as per SEBI notification no. CIR/CSD/DIL/10/2010 dated 16th December, 2010, there were no shares lying in the suspense account which are unclaimed/undelivered as on 31st March, 2021.

17 Shareholders' Correspondence

The Company has attended to all the investors' grievances/ queries/ information requests.

The Company endeavors to reply all letters received from the shareholders within a period of 7 working days.

All correspondence may please be addressed to the Registrar and Share Transfer Agent at the address given above. In case any shareholder is not satisfied with the response or do not get any response within reasonable period, they may approach the Investor Relation Officer of the Company.

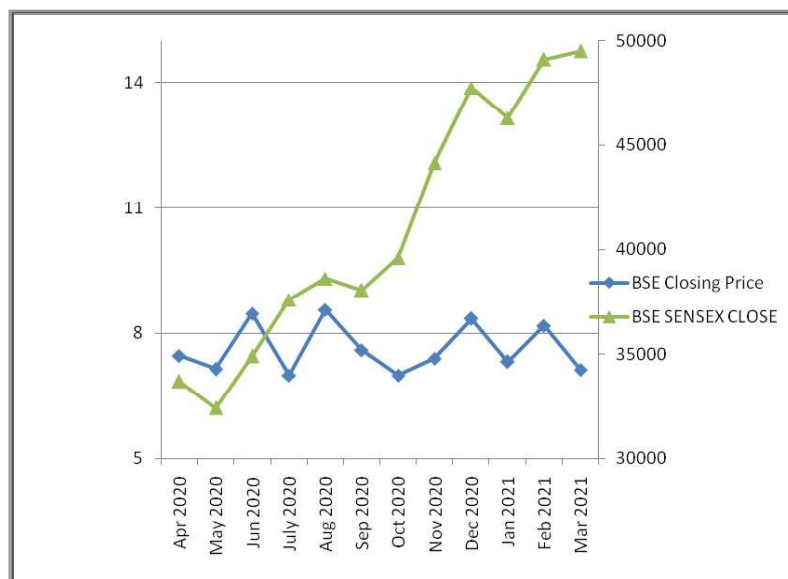
18 Stock Market Data Relating to Shares Listed in India

Monthly high and low Prices on BSE and NSE and volume traded for financial year 2020-21 are:

	BSE			NSE		
	High (₹)	Low (₹)	Volume (In Nos.)	High (₹)	Low (₹)	Volume (In Nos.)
April 2020	9.47	6.21	1,08,742	9.70	5.50	7,26,871
May 2020	7.86	6.28	1,04,412	8.05	6.30	5,84,720
June 2020	8.47	6.67	3,59,320	8.30	6.65	14,49,055
July 2020	9.49	6.91	4,69,221	9.45	6.90	13,42,149
August 2020	10.80	6.88	5,19,252	10.60	6.80	19,12,193
September 2020	9.65	7.10	1,00,081	9.85	7.05	6,00,006
October 2020	8.65	6.99	85,069	8.50	6.65	5,60,341
November 2020	7.93	6.79	73,085	7.95	6.55	4,90,860
December 2020	9.91	7.31	3,05,581	9.85	7.25	6,80,460
January 2021	9.62	7.25	3,14,168	9.40	7.20	4,38,066
February 2021	8.20	7.00	72,712	7.95	6.95	1,11,870
March 2021	8.18	7.03	23,815	7.80	6.25	68,750

19. Relative performance of Shirpur Gold Shares Vs. BSE Sensex

Shirpur Gold Refinery Limited
Closing Monthly BSE Price Vs Closing Monthly BSE Sensex



20. Distribution of Shareholding as on March 31, 2021 :

No. of Equity Shares	Share Holders		No. of Shares	
	Number	% of Holders	Number	% of Shares
1 to 500	7268	75.13	9,95,321	3.42
501 to 1000	1005	10.39	8,33,906	2.86
1001 to 2000	610	6.31	9,24,462	3.17
2001 to 3000	241	2.49	6,22,930	2.14
3001 to 4000	108	1.12	3,79,881	1.30
4001 to 5000	87	0.90	4,10,903	1.41
5001 to 10000	178	1.84	13,37,169	4.59
10001 and above	177	1.82	2,36,32,630	81.11
TOTAL	9674	100.00	2,91,37,202	100.00

21. Categories of Shareholders as on March 31, 2021 :

Category	% Shareholding	No. Shares held
Promoters	43.66	1,27,20,703
Individuals	39.86	1,16,15,381
Foreign Portfolio Investors, OCBs and NRIs	3.45	10,03,491
Domestic Companies	10.61	30,90,565
Others	2.42	7,07,062
TOTAL	100.00	2,91,37,202

22. Particulars of Shareholding

Promoter Shareholding as on March 31, 2021

Name of Shareholder	No. of Equity Shares held	% of Shareholding
Jayneer Infrapower & Multiventures Private Ltd	1,27,20,703	43.66%

23. Outstanding GDR / ADR / Warrants or any convertible instruments, conversion date and likely impact on Equity

There are no outstanding GDRs / ADRs / Warrants or any other convertible instruments pending for conversion as on date 31.03.2021.

24. Commodity Price Risk & hedging activities

Shirpur Gold is exposed to price fluctuations on account of gold prices and this is managed by way of:

- Purchase of gold on lease from banks where the commodity price is only fixed when the corresponding sale happens to customers. Thus, the Company is not exposed to gold prices for this portion of purchase.
- Purchase of gold from customers (on exchange) or spot gold where the risk is managed by way of taking a sell position either

in the commodity futures in the commodity exchanges / banks. On a later date when this is sold in the stores, the positions are squared off. Thus, there is no exposure to gold prices for this portion of commodity purchase also. The Mark-to-Market of outstanding Sell Future Contracts, is done on a daily basis, based on gold rate fluctuation.

All the commodity hedging is done in adherence to the hedging limits in place. Senior management periodically reviews the hedge position and other actions.

25. Other Disclosures

- i. All transactions entered into by the Company with related parties during the financial year 2020-21 were in ordinary course of business and on arms-length basis. The related party transactions undertaken by the Company during the year under review were in compliance with the applicable provisions of Companies Act, 2013 and Listing Regulations. The details of the Related Party Transactions are set out in the Notes to Financial Statements forming part of the Annual Report. All ongoing related party transactions along with the estimated transaction value and terms thereof are approved by the Audit Committee before the commencement of financial year and thereafter reviewed on quarterly basis by the Audit Committee.

In compliance with the requirements of Regulation 23 of Listing Regulations, the Board of Directors of the Company has approved a Related Party Transaction Policy, to facilitate management to report and seek approval for any Related Party Transaction proposed to be entered into by the Company. The said Related Party Transaction Policy can be viewed on www.shirpurgold.com.

There are no materially significant related party transactions between the Company and its promoters, directors or key management personnel or their relatives, having any potential conflict with interests of the Company at large.

- ii. There has not been any non-compliance by the Company and no penalties or strictures imposed by SEBI or Stock Exchanges or any other statutory authority on any matter relating to capital markets, during the last three years.
- iii. As per Section 177 of the Companies Act, 2013 and Regulation 22 of Listing Regulations, a comprehensive Whistle Blower and Vigil Mechanism Policy has been approved and implemented within the organization. The policy enables the employees and directors to report instances of any unethical act or suspected incidents of fraud or violation of Companies Code of Conduct or ethics policy. This Policy (copy of which is uploaded on the website of the Company) safeguards whistle blowers from reprisals or victimization. Your Board affirms that no personnel has been denied access for making disclosure or report under the Policy to the Vigilance Officer and/or Audit Committee.
- iv. In accordance with SEBI (Prohibition of Insider Trading) Regulations, 2015, the Company has formulated and approved (i) an Insider Trading Code to regulate dealing in the securities of the Company by designated persons in compliance with the regulations; and (ii) a Policy for Fair Disclosure of Unpublished Price Sensitive Information. Company Secretary of the Company is Compliance officer for the purposes of Insider Trading Code, while the Chief Financial Officer of the Company has been assigned responsibility under Fair Disclosure Policy as Investor Relations Officer. In line with the amendment to SEBI (Prohibition of Insider Trading) Regulations, 2015, the Insider Trading Code and Policy for Fair Disclosure of Unpublished Price Sensitive Information was revised with effect from April 1, 2019. The revised Code and Policy can be viewed on Company's website www.shirpurgold.com.
- v. Pursuant to the revised threshold prescribed for Material Subsidiary in Regulation 16 of the Listing Regulations as applicable from April 1, 2019, Zee Gold DMCC has become a Material Subsidiary. The Audit Committee reviews financial statements including investments by its Subsidiary.

The policy on determining material subsidiaries has been uploaded and can be accessed on the website of the Company at www.shirpurgold.com

Additionally, the Board has in accordance with the requirements of Companies Act, 2013 and Listing Regulations approved and adopted various other policies including Material Events Determination and Disclosure Policy, Document Preservation Policy, Corporate Social Responsibility Policy etc. These policies can be viewed on Companies Website at www.shirpurgold.com

- vi. Your Board hereby confirms that the Company has obtained a certificate from a Company Secretary in Practice confirming that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Directors by SEBI, Ministry of Corporate Affairs or any such other statutory authority.
- vii. During FY 2020-21, the Statutory Auditor of the Company M/s. Parikh & Parikh, Chartered Accountants was not paid any fees by any of the Subsidiary(ies) of the Company. Further as disclosed in Note No. 40 to the Standalone Financial Statements, the Company had paid an aggregate remuneration of ₹ 1.15 Millions (excluding taxes and out of pocket expenses) to its Statutory Auditors, including ₹1.10 Million towards Statutory Audit fees and ₹0.05 Millions towards fees.
- viii. Your Company has zero tolerance towards sexual harassment at workplace and has adopted a Policy on prevention, prohibition and redressal of sexual harassment at workplace in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules thereunder. There was no complaint on sexual harassment during the year under review.
- ix. The Company has complied with all the mandatory requirements specified in Regulation 17 to 27 except composition of the Board under Regulation 17 till 10th March, 2021 and applicable requirements of Regulation 46 of Listing Regulations, as amended.

Management Discussion and Analysis

Investors are cautioned that this discussion contains forward-looking statements that involve risks and uncertainties including, but not limited to, risks inherent in the Company's growth strategy, acquisition plans, dependence on certain businesses, dependence on availability of qualified and trained manpower and other factors. The following discussion with the Company's financial statements included herein and the notes thereto:

INDIAN MACROECONOMIC OUTLOOK

The Indian economy contracted sharply in FY21, for the first time since 1980 due to the global pandemic. GDP of the country contracted by 7.3% in FY21, facing a higher impact than some of the developed and developing nations. India has been the growth leader amongst major economies for past several years, however, India saw a sharper decline in output during the pandemic due to imposition of an early and strict lockdown to prevent the spread of pandemic. This led to a collapse of economic activity in the first quarter, resulting in GDP degrowth of 24%. However, towards the end of the quarter, India began to gradually open-up and economy started to recover. The Government and the Reserve Bank of India (RBI) announced a slew of measures to hasten the recovery of economy reeling from the impact of lockdown. This pushed GDP back into positive growth territory, with Q3 registering growth of 0.5%, which further accelerated to 1.6% in the next quarter. We saw an improvement across various macro-economic indicators in the following months - GST collections, electricity consumption, sale of consumer durables and passenger vehicles amongst others. As life was getting back to normalcy, the country was hit hard by the second and much stronger wave of the pandemic starting mid-March. This led to another round of widespread lockdowns across the country and unsettled the economic momentum. That said, this round of lockdown was less severe compared to the previous one and hence the economic cost of the same was significantly lower. After a sharp spike in the months of April and May this year, COVID cases came down significantly. The pace of vaccination has also gone up decisively in past few months, especially in the large cities. There remains a possibility of third wave, however, its impact might be lower on account of large-scale vaccination drives, and lockdowns are likely to be more localised. In the past, India's consumption growth was, to a large extent, insulated from the impact of any economic slowdown. However, the lockdowns have led to a direct impact on the income and consumption levels of a large section of the population. Media industry is a play on domestic consumption growth and the sharp drop in private final consumption expenditure (PFCE) has had a negative impact on the sector. That said, consumption saw a 'V' shaped

recovery as soon as cases started its downward journey and accordingly, the impact of COVID on the industry is likely to be transient. From a longer-term perspective, Indian consumption story is driven by strong secular trends of a growing middle

INDUSTRY STRUCTRE AND DEVELOPMENTS

Gold is a clear complement to stocks, bonds and broad-based portfolios. A store of wealth and, a hedge against systemic risk, currency depreciation and inflation, gold has historically improved portfolios' risk-adjusted returns, delivered positive returns, and provided liquidity to meet liabilities in times of market stress.

Gold benefits from diverse sources of demand: as an investment, a reserve asset, jewellery, and a technology component. It is highly liquid, no one's liability, carries no credit risk, and is scarce, historically preserving its value over time.

Global Scenario

Demand

The global gold market was ravaged by COVID-19 disruption throughout the year, while record high prices were a mixed blessing. The coronavirus pandemic, with its far-reaching effects, was the driving factor behind weakness in consumer demand throughout 2020, culminating in a 14% decline in annual demand to 3,759.6t, the first sub-4,000t year since 2009.

Jewellery demand in 2020 dropped to its lowest annual level on record, decimated by the combination of the global pandemic – with its resultant market lockdowns – and record high gold prices at a time of economic slowdown. Gold jewellery demand in Q4 fell 13% y-o-y to 515.9t, resulting in a full-year total of 1,411.6t, 34% lower than in 2019 and a new annual low. While demand improved steadily from the severely depleted Q2 total, consumers across the world remained at the mercy of coronavirus lockdowns, economic weakness and high gold prices. The two largest markets, India and China, were the two major contributors to the annual decline.

Central bank buying slowed sharply in 2020, particularly in the second half of the year. Q4 saw a return to modest net buying (44.8t) after the prior quarter's small net sale. Annual central bank purchases came to 272.9t (-59%) of which 86% was added in H1. The technology sector, impacted by disruption from COVID-19, saw gold usage decline 7% in 2020 to 301.9t. But the year ended on a relatively positive note, with Q4 seeing marginal y-o-y growth to 84t.

Growth in annual coin demand of 33% was in sharp contrast to the 9% drop in annual bar demand to 529.5t. This fall was concentrated solely in H1 and was principally the result of liquidation by investors in Asian markets, reeling from the severe impacts of the COVID-19 outbreak.

Given the chaos wrought on markets and economies around the world during 2020, a decline in demand for gold in the electronics sector was anticipated. Supply chains were impacted from top to bottom, with many manufacturing facilities suspending their operations to comply with local and national lockdowns. These challenges were compounded by weakening consumer demand, especially for 'big ticket' purchases. However, there were some positives for the electronics industry; the shift to working from home bolstered demand for devices, laptops in particular. This persisted throughout the year, and helped to catalyse a 2% y-o-y increase to 69.2t during Q4.

Supply

Total annual gold supply of 4,633t was 4% lower y-o-y, the largest annual fall since 2013. The drop was largely explained by coronavirus-related disruption to mine production, offset by a marginal 1% increase in recycling to 1,297.4t for 2020. Annual mine production declined 4% y-o-y to 3,401t primarily due to COVID-19 related disruptions. This was the second consecutive annual decline in production – and the first back-to-back annual drop since 1975 – although the reasons were very different. Full-year recycled gold supply rose by only 1% y-o-y despite record gold prices.

COVID-19 pandemic interruptions were the main reason for lower mine production in 2020, and the impact varied both geographically and over time. Regionally, Asian production was hit hardest in Q1, as was output from the Commonwealth of Independent States (CIS) region, although the latter was likely influenced by normal weather-related seasonality.¹ Africa and the Americas saw coronavirus interruptions hit production the hardest in Q2, while Oceania saw production declining over the year.

Indian Scenario

Gold is used to protect and enhance wealth over the long-term and it operates as a means of exchange, because it has global recognition and is no one's liability. Gold is also in demand as jewellery, valued by consumers across the world. And it is a key component in electronics.⁵ These diverse sources of demand

differentiate gold from other investment assets. They also give it a particular resilience: the potential to deliver solid returns in good times and in bad.

The gold market is also more liquid than several major Indian financial markets, including bonds and stocks, while trading volumes are similar to those of the S&P 500 and short-term US treasuries. Gold's trading volumes averaged INR 10.3tn per day in 2019. During that period, over-the-counter spot and derivatives contracts accounted for INR 5.5tn and gold futures traded INR 4.6tn per day across various global exchanges. Gold trading volumes on MCX contributed to INR 61 billion (bn) per day. Gold-backed ETFs offer an additional source of liquidity, with the Indian-listed funds trading an average of INR 18mn per day. The scale and depth of the market mean that it can comfortably accommodate large, buy-and-hold institutional investors. In stark contrast to many financial markets, gold's liquidity does not dry up, even at times of acute financial stress.

Gold was one of the best performing major assets of 2020 driven by a combination of:

- high risk
- low interest rates
- positive price momentum – especially during late spring and summer.

Gold also had one of the lowest drawdowns during the year, thus helping investors limit losses and manage volatility risk in their portfolios. With the easing of lockdown restrictions from September 2020 and a reported steady reduction in COVID-19 daily cases, some positive signals of domestic economic recovery came through in Q4. Together with the sharp pullback in the domestic gold price, these factors supported the quarterly recovery in gold jewellery demand. The reopening of the economy and the announcement of successful vaccines also boosted consumer sentiment.

With the end of Adhik Maas on 16 October, 2020 sales picked up during Navratri and during Dhanteras – considered to be an important gold purchase festival – footfall and gold jewellery volumes improved still further, exceeding local industry expectations. Some retailers adopted a strategy of spreading Dhanteras promotions over a couple of days to avoid a rush and help maintain social distancing during the festival. The correction in the gold price during the week of Dhanteras helped demand, but a 32% higher gold price y-o-y was a deterrent for some and, overall, Dhanteras volume sales were lower y-o-y.

Company Overview

Shirpur Gold Refinery Limited, a part of the Essel group, has the largest installed capacity in India of refining gold and silver from the raw gold (Dore) stage to 99.99% purity. The technical capabilities include achieving fineness of up to 999.9 parts per thousand for gold and silver, casting the refined bullion into bars of various denominations, minting of coins and manufacturing of Jewellery in various designs.

The State of Company's Affairs/ Developments

The company continues to maintain its commitment to the highest level of production efficiency and excellence in quality. As such at the company has always kept abreast of the ever-changing technologies and processes.

Gold industry in India has always been greatly impacted by the government regulations and controls. Changes implemented by the regulatory authorities has been challenging for the industry and so for the company. The company is well compliant with all directions, changes and regulations implied by the government on gold industry from time to time.

STRENGTHS, OPPORTUNITIES, THREATS, RISKS & CONCERNS:

A) Strengths

(i) Product Range

Currently, The Company has kept on hold it's manufacturing operations at Shirpur, Dist Dhule.'

(ii) Product Quality

The company compares its quality standards with the best in the world. The products positioned are comparable with the highest levels certified and accepted internationally. The production processes and controls along with stringent quality control systems has ensured a Zero-defect record over the term.

(iii) Laboratory

The Company's laboratory is a NABL Accredited Lab (National Accreditation Board for Testing & Calibration Laboratories) Government of India for ISO / IEC 17025; 2005 in the discipline of chemical analysis and the scope covers testing of Gold and Silver by Fire Assay, Chemical and Instrument Assay. NABL Accreditation provides formal recognition to Company's lab, thus providing a ready means

for users to find reliable testing and calibration services in order to meet their requirements.

(iv) Responsible Sourcing of Raw Material

The company follows acceptable standards of due diligence and responsible sourcing of raw materials. The company ensures adequate compliance following all international regulations covering anti money laundering and terrorist financing. The management is fully committed to establish and maintain strict adherence to international compliance standard for sourcing of raw material. Company's aim is to continually maintain and update its compliance policies with respect to procurement of dore, supply chain management and trading.

(v) Economy of Scales

The production processes established by the Company and continuous monitoring of the same ensures that the Company is in position to reduce the production time with economies of scale and cost reduction through modular structure.

(vi) Distribution network

Your Company has further strengthened the existing strong distribution network created over years. The necessary steps have been initiated to increase penetration in all the gold consuming centers. The Dubai subsidiary of the company has already created a strong customer base in the international market by having strong and solid channel partners in main hubs of UAE and Hongkong.

(vii) Financial Strengths

The Company is financially sound and has been able to take the advantage in operations.

(viii) Strong operational, technical and management team

Standard Operational Procedures (SOPs) are implemented and policies are put in place by the management to ensure that the work force is adequately monitored and efficiency levels maintained. New trends and practices in the refining areas are evaluated and implemented under the able guidance of technical experts of the Company having on its panel.

B) Opportunities

Gold's unique attributes as a scarce, highly liquid, and un-correlated asset demonstrate that it can act as a diversifier

over the long term. Gold's position as an investment and jewellery has allowed it to deliver average returns of nearly 11% over the past 50 years, comparable to equities and more than bonds and commodities

Gold's traditional role as a safe-haven asset means it comes into its own during times of high risk. But gold's dual appeal as an investment and a consumer good means it can generate positive returns in good times too. This dynamic is likely to continue, reflecting ongoing political and economic uncertainty, persistently low interest rates and economic concerns surrounding equity and bond markets.

C) Threats

The COVID-19 pandemic raised uncertainty by compounding existing risks and creating new ones. But by the end of last year, investors were optimistic that the worst was over. Looking ahead, we believe that investors will likely see the low interest rate environment as an opportunity to add risk assets in the hope that economic recovery is on the immediate horizon. That said, investors will likely also be navigating potential portfolio risks including:

- ballooning budget deficits
- inflationary pressures
- market corrections amid already high equity valuations.

In this context, gold investment will remain well supported while gold consumption should benefit from the nascent economic recovery, especially in emerging markets.

D) Risks & Concerns:

(i) Market Risks

The Company is largely dependent on domestic customers. The Company continues to work towards diversifying its customer mix and to focus on building relationships with customers spread geographically.

(ii) Regulatory Risks

The Company is exposed to regulatory uncertainties facing the gems and Jewellery industry in India. Any changes in the duty, rules and regulations, Import and Export policies or requirements by the Government of India may require the Company to revise business strategies which may impact its financial position adversely. The Company in order to reduce loss of revenue and market share due to any

changes in the policies of the Government of India, has diversified sales mix, product range, and raw material mix. However, the management cannot totally eliminate the risks involved in such volatile trades.

(iii) Operational Risks

The Company adopts a sustainable production platform. Continuous availability of gold dore and scrap is critical for the production plans of the company. The company has tied up with global miners for continuous supply of gold dore. The Company is also in process of entering into off-take agreements with miners for supply of gold Dore. The Company is also procuring SR bars and scrap materials from local markets. However, the management cannot totally eliminate the risks involved in such volatile trades.

(iv) Commodity Price Risks

The prices of Gold and Silver are largely governed by movements at major precious metal exchanges of London, New York, Tokyo and others. The local precious metal prices are an algorithm of these movements on 'spot' basis and Indian currency Rates. Prices may fluctuate widely for all products affecting demands in the market. The Company has adopted adequate hedging mechanisms to effectively counter the risk that arises during operations. However, the management cannot totally eliminate the risks involved in such volatile trades.

(v) Currency Risk

This exposes the Company to metal and foreign exchange risks. The Company has established a dealing room and placed hedging policies and procedures for mitigating the risks in gold prices and foreign exchange transactions. However, the management cannot totally eliminate the risks involved in such volatile trades.

(vi) Competition Risk

Significant additional competition in the gold trade may result in reduced off-take and thereby negatively affect the Company's revenues and profitability. The Company may also face competition arising from new technology/automation leading to new products acceptable to customers. For maintaining or increasing the market share, Company has taken initiatives of effective marketing, ability to improve processes, introducing new products & technology.

(vii) Internal Control Systems

The company follows a standard operating procedure in all its operations, documentation and trades which is best as per industry standards. The management ensure all the activities and operations are well informed to the concerned and risk management policies are followed in all its endeavors.

(viii) Attrition Risk

The Company has a strong management and technical team to oversee the operations and growth of its business. The Company's ability to sustain its growth largely depends, on its ability to attract, train, motivate and retain high skilled employees. An increase in the rate of attrition of experienced employees, would adversely affect the Company business. In view of above, to curtail attrition of high potential employees, the Company always strives to create conducive work environment, platform for innovation & creativity, creation of learning & growth opportunity and sense of belongingness. As a part of its retention strategy the Company is putting its endeavor to identify & ring fence of "High Potential Employees".

SEGMENTAL PERFORMANCE

The Company is in the business of refining, manufacturing and marketing of precious metal which is considered as the only reportable segment.

OUTLOOK

The gold market has two attractive features for investors. Gold's scarcity supports its long-term appeal. But gold's market size is large enough to make it relevant for a wide variety of institutional investors – including central banks.

While jewellery demand volumes are likely to remain relatively subdued as COVID-19 continues to impede the normal functioning of many markets across the globe, mass vaccination programmes and signs of improving economic indicators imply that we expect to see continued, if tentative, improvement in the sector in 2021.

As the gold price started a more consistent rise in 2019 the sentiment in the Indian gold ETF market improved marginally, before momentum picked up significantly in 2020. The rising gold

price, increased volatility in equity markets and economic uncertainty due to COVID-19 fuelled safe-haven demand into Indian gold ETFs in 2020. These inflows were also fuelled by strong returns on gold during the year, which at +28.1% outperformed the BSE Sensex (+17.16%) and 10-year government bond (+11.89%), supporting gold's appeal as an asset class.

The Securities and Exchange Board of India (SEBI) issued a notification in October 2017 to categorise and rationalise mutual fund schemes in India to bring uniformity in the characteristics of similar type of schemes launched by different Mutual Funds.³¹ Under the rationalisation, the schemes were broadly divided into the following groups: equity schemes, debt schemes, hybrid schemes, solution oriented schemes and other schemes.

Multi asset allocation falls into a hybrid category that allows investment in at least three asset classes. As per SEBI regulations, a minimum of 10% allocation is required for each invested asset class. The inclusion of multi asset classes may increase diversification and lower overall portfolio risk. Allowed asset classes include stocks, debt, gold, commodities and REITs among others. Investment in gold can be made through physical gold, gold-backed ETFs, or other gold-related investments (e.g., derivatives or Sovereign Gold Bonds).

Multi asset allocation funds expanded further in 2020 with the launch of two new funds by Motilal Oswal and Nippon India.³² By the end of the year, ten funds were available with a total AUM of INR 146.5bn. All ten have an allocation to gold in their portfolios

Zee Gold DMCC, Dubai (100% subsidiary) is actively engaged in the precious metals trading business and tapping opportunities in countries like Middle East, Africa, Indian sub-Continent, South East and Central Asia, The Americas, Turkey and the former CIS countries.

The central location of Dubai and a time zone that facilitates trading with all global markets provides an ideal base from which to develop a major precious metals business. The business is focused on Wholesale physical bullion trading, incorporating sales of the full range of the company's physical gold and silver products, including value added investment bars and coins. Sourcing of both primary and secondary supplies of gold and silver.

Certification on Financial Statements of the Company

We, Kavita Kapahi, Director and Shankar Bhandari, Director of Shirpur Gold Refinery Limited ('the Company'), certify that:

- (a) We have reviewed the Audited Financial Results of the Company for the year ended March 31, 2021 and that to the best of our knowledge and belief, we hereby certify that the above financial results:
 - (i) do not contain any false or misleading statement or figures and;
 - (ii) do not omit any material fact which may make the statements or figures contained therein misleading and;
 - (iii) 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) To the best of our knowledge and belief, no transactions entered into by the Company during the quarter / year ended March 31, 2021 are fraudulent, illegal or violative to the Company's code of conduct.
- (c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and have disclosed to the Auditors and Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and steps taken or proposed to be taken to rectify these deficiencies.
- (d) During the quarter / year:
 - (i) There has not been any significant changes in internal control over financial reporting;
 - (ii) There have not been any significant changes in accounting policies; and
 - (iii) There have been no instances of significant fraud of which we are aware that involve management or other employees, having significant role in the company's internal control system over financial reporting.

For Shirpur Gold Refinery Limited

Place: Mumbai,
Date: 30th June, 2021

Kavita Kapahi
Director

Shankar Bhandari
Director

Independent Auditor's Report on the Standalone Financial Statements

**The Members,
SHIRPUR GOLD REFINERY LIMITED**

Report on the audit of the Ind AS Financial Statement

1. Opinion

We have audited the accompanying standalone Ind AS Financial Statements of Shirpur Gold Refinery Limited ("the Company"), which comprise the Balance sheet as at 31st March 2021, the Statement of Profit and Loss (including Other comprehensive income), the Statement of Changes in Equity and the statement of Cash Flows for the year ended on that date, and Notes to the Ind AS financial statements, including a summary of Significant Accounting Policies and other explanatory information (hereinafter referred to as "Ind AS Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS Financial Statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards 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 31st March 2021, its loss and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

2. Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements Section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the Financial Statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the 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 Ind AS financial statements.

3. Emphasis of matters:

Reference is invited to the following notes to the financial statements:

- (i) Note no.49 related to pending claims since 24 April 2015 from Insurance Company towards recovery of ₹124.17 millions including expenses of ₹1.65 million against loss of gold in the robbery which occurred on 24th April 2015.
- (ii) Note No. 57 relating to NPA of cash credit and loans from lenders : As reported in preceding year's report, three of the lender banks and a financial institution ('the lenders') have outstanding dues, as per the claims from the lenders, classified as Non-performing assets, amounting to ₹3,408.74 Millions including amount of bank guarantees invoked, interest and

penal interest of ₹577.04 Million due to defaults in the repayment and non-compliance of the terms and conditions. As reported in the preceding year, of the said lenders, one of the bankers and a financial institution has recalled the loan outstanding of ₹2863.06 million including interest at the year end. The banker has even issued notice for constructive possession of the factory, on as is where is basis, at Shirpur, Dhule District, Maharashtra. However, no further action has been taken by the said bank in this connection.

An independent auditor was appointed by the lenders to carry out audit of the books of accounts of the Company. As informed the auditor has completed his assignment as mandated, and a report thereon has been submitted to the lenders.

The Management had informed that it had submitted and is in continuous discussions with the lenders for its scheme of restructuring the said overdues and negotiation with the lenders is under way for amicable settlement.

However, we are unable to comment thereon in absence of sufficient appropriate audit evidence to the above submission.

- (iii) Note No.58: No provision for deferred tax is made in view of the temporary suspension of the manufacturing operations and slowdown in the trading activities, resulting in no immediate probability of any future profits to absorb such deferred tax.
- (iv) Note no. 61 relating to the Provision for doubtful debts made in respect of receivables from three of the bodies corporate, amounting to ₹2,065.02 million during the year and aggregate of such provisions so far made is ₹3,126.21 million (out of the aggregate receivables of ₹4,040.04 million from corporate) included in other expenses in the financial statements. Further, of the said provision includes gross receivables ₹2,418.56 million from a body corporate, against whom petition has been filed by a third party and an order for commencement of a Corporate Insolvency Resolution Process has been issued by National Company Law Tribunal, New Delhi.
- (v) Note No.62: Trade receivables net ₹915.25 million is after making provisions for doubtful debt of ₹3126.21 Millions in respect of aggregate dues of ₹4041.21 million till year end. The Management has informed that it is assured of recoveries of dues from these parties, hence provision has been made. However, we are unable to comment on the same as there is no sufficient appropriate audit evidence produced before us to show the Management's contentions of such recovery.
- (vi) Note No.63: The Management of the company has assessed that there is no material impact due to countrywide lockdown on account of COVID-19 pandemic and considering the business segment (Precious Metals) in which company operates, there was no material impact which require any adjustment in financial statement as the Company did temporarily stop manufacturing and trading operations due to paucity of funds, the notice from lenders for possession of the factory premises, and various legal and regulatory actions against the company.

(vii) Note no.64 relating to Going Concern, in view of notices served by the lending bank for constructive possession of the Company's factory premises, temporary closer of production. However, the financial statements have been prepared on a going concern basis in view of the financial support from the promoter companies and the management's plan to generate cash flows through future operations, after expected settlement of the claims of the lender banks/financial institutions as detailed herein above, which would enable the Company to meet its financial obligations as and when they fall due. The management's assessment is largely dependent on the support from its Promoter Companies and other matters referred to herein.

However, we are unable to comment on the same as there is no sufficient appropriate audit evidence produced before us

to show the Management's contentions on the Going Concern basis of preparation of financial statements.

Our report is not modified in respect of this matter.

4. Key Audit Matters

Key Audit matters are those matters that, in our professional judgement, were of most significance in our audit of the standalone Ind AS financial statements of the current period. These matters were addressed in the context of our audit of the Ind AS financial statements, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have determined the matters described below to be the key audit matters to be communicated in our report:

Key audit matter	Going Concern Assumption by Management
Criteria for disclosure as key Audit matter	Assumptions based on Management's opinion on Going Concern basis for preparation of Standalone Financial Statements
Present status	Audit approach
<p>1. Assessment of Going Concern as a basis of accounting: (Refer note 64 to the financial statements)</p> <p>The Company has incurred loss during the current due to temporary cessation of manufacturing and trading turnover. Further, it had been served with Notices by the lender banks/ institution, for repayment of the loans taken with interest and even have served notice for constructive handing over of the factory premises. These may create a doubt regarding the Company's ability to continue as a going concern. However, the financial statements have been prepared on a going concern basis considering the expectation of the Management that they are negotiating for an amicable settlement with the lender banks/ institutions, as negotiations are on. Once settled, the manufacturing and trading operations may re-commence, with the financial support from the promoter company etc., and/ or the management's plan to generate cash flows through operations which would enable the Company to meet its financial obligations as and when they fall due. We considered this to be a key audit matter because management's assessment is largely dependent on the support letter obtained from its Promoter Company.</p>	<p>Our procedures included the following :</p> <ul style="list-style-type: none"> • Obtained the management assessment of appropriateness of Going Concern basis of accounting. • Discussed with the management on the on-going proceedings in relation to various notices received from the lenders banks/financial institutions, and the way forward to settlement with them. • Discussed with the management future business and their plans to ensure that the Company is able to meet its financial obligations in the foreseeable future. • Read the minutes of board of directors meeting for discussion on future business plans and on liquidating certain assets to ensure availability of liquid funds. • Verified based on discussions in minutes the support from its Promoter indicating that Promoter and group companies will take necessary actions to organize for any shortfall in liquidity in Company that may arise to meet its financial obligations and timely repayment of debt during the period of 12 months from the balance sheet date. <p>Based on the above procedures, read with Note no.64 to the financial statements we noted the management assessment of going concern basis of accounting is followed.</p>

Key audit matter	Amounts recoverable-claims, receivables, loans & advances given, provision for expected credit losses and related balances
Criteria for disclosure as key Audit matter	Assessed the credit period by the Company vis-à-vis customers, insurance claims status and loans & advances given and management's assessment of realisability of such dues;
Present status	Audit approach
<p>2. Refer Note 61, Note no.62 and Note no.45 (a) (ii) for credit risk disclosers.</p> <p>Trade receivables and other amounts recoverable comprise a significant portion of the current financial assets of the Company. As at 31 March 2021 Trade Receivables (Refer Note no.9) aggregate to ₹9,15.25 million and other amounts recoverable (Refer Note no.14) aggregate to ₹1,89.46 million.</p> <p>In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss for financial assets. The Company has analyzed Trade Receivables considering ageing etc. and calculated estimated credit loss on the basis of ageing. Accordingly the provision for ₹20,65.02 million is made as credit loss during the year thereby aggregating to ₹31,26.21 million till the year end.</p> <p>Other amount recoverable of ₹189.46 millions include ₹124.17 million for insurance claim lodged with the insurance company (Refer Note no.49) pending since April 2015 for settlement.</p> <p>On the basis of such workings and negotiations with the insurance company, the Company do not foresee any ECL for provisions to be made for doubtful or bad debts. Estimation of provisions and assessment of recoverability of amounts involves significant degree of judgement and evaluation basis for ongoing communications with the respective parties and is therefore considered as a key audit matter.</p>	<p>Our audit procedures to address this key audit matter included, but were not limited to the following:</p> <ol style="list-style-type: none"> We discussed with the management about the conditions leading to, and their assessment of recoverability of dues from the parties and referred to the available communications, if any, between them. We referred to the ageing of trade and other receivables and discussed the key balances to establish the management's assessment of recoverability of such dues. We analyzed the methodology used by the management and considered the credit and payment history of specific parties to determine the trend used for arriving at the expected credit loss, if any. We referred to the terms and conditions, verbal and/or in writing wherever available, stipulated in the settlement arrangement with respect to amounts recoverable from a vendor. We have assessed the adequacy of disclosures made by the management in the financial statements to reflect the expected credit loss provision, trade and other receivables and related balances. In one of the debtor's case having outstanding receivables of ₹24,18.56 million, one of its creditors had filed insolvency petition before NCLT, Delhi pending hearing and disposal. The Company has lodged its claim of ₹24,18.56 million before NCLT. However, the Company has made provision of ₹31,26.21 million including ₹24,18.56 million for the said debtor.
Key audit matter	Impairment of Assets
Criteria for disclosure as key Audit matter	Assumptions based on either technical feasibility, economic feasibility or/and estimated future cash flows

Present status	Audit approach
<p>3. Impairment of assets/Investments :</p> <p>As per Ind AS 36- Impairment of Assets, for investments in subsidiary, impairment has to be done when the carrying amount of such investment in the separate financial statement is higher than the carrying amount in the consolidated financial statements of the investee's net assets.</p> <p>The Company has long-term investments in a subsidiary aggregating Rs 3,37.49 millions as at 31 March 2021. The Company records its long-term investments at cost less any provision for impairment loss. Changes in business environment could have a significant impact on the valuation of these investments. These long-term investments are tested for impairment periodically. If triggers of impairment exist, the recoverable amounts of the investment in a subsidiary is adjusted for any impairment loss. The impairment loss is recognized in the statement of profit and loss. Refer note 1 (f & g) of Significant Accounting Policy for impairment of investments</p>	<p>We performed the following key audit procedures:</p> <p>We have reviewed assumptions taken for projecting the future cash flows and the basis of criteria for the underlying preparation of these projections. Based on the representations provided to us by the management, and the matters referred to herein before, management has affirmed that no impairment is required for the investments made in the subsidiary as at the end of the financial year. (Refer note no. 1 (f & g) of the Standalone Financial statements).</p>

5. Information Other than the Ind AS Financial Statements and Auditor's Report Thereon

- The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual Report but does not include the financial statements and our auditor's report thereon.
- Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.
- In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained in the audit or otherwise appears to be materially misstated.
- If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

6. Management's Responsibility for the Ind AS 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 Ind AS Financial Statements that give a true and fair view of the state of affairs (financial position), profit or loss (financial performance including total comprehensive income), changes in equity and cash flows of the Company in accordance with accounting principles generally accepted in India, including the Ind AS specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management 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 also responsible for overseeing the Company's financial reporting process.

7. Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for explaining our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use

of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

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

Materiality is the magnitude of misstatements in the 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 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.

8. 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 Ind AS Financial Statements comply with the Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e) On the basis of the written representations received from the directors as on 31st March 2021 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2021 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 (IFCoFR) of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
- g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of Section 197(16) of the Act, as amended.

The Company has paid or provided for any managerial remuneration during the year and such remuneration so paid 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 does not have any pending litigations which would impact its financial position except as otherwise stated in Annexure to Auditors' Report and Note no. 34 of Notes to Ind AS Financial statements.
 - ii. Provision has been made in these Ind AS financial statement as required under the applicable law or Ind AS, for material foreseeable losses, on long term contracts including derivative contracts, in the Ind AS financial statement.
 - iii. There has been no amount required to be transferred to the Investor Education and Protection Fund, since the same is not applicable to the Company.
2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-Section (11) of Section 143 of the Act, we give in the "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

For Parikh & Parikh
Chartered Accountants
Firm Regn No.: 107526W

CA Milan G Parikh
Proprietor
Mem. No.: 038557
ICAI UDIN: 21038557AAAAHA6235

Mumbai, 30 June 2021

Annexure “A” to Independent Auditor’s Report

(Referred to in para 8(1)(f) of the Independent Auditor’s Report of even date to the members of SHIRPUR GOLD REFINERY LIMITED on the standalone Ind AS financial statements for the year ended 31 March 2021)

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 SHIRPUR GOLD REFINERY LIMITED (“the Company”) as at 31st March, 2021 in conjunction with our audit of the Standalone Ind AS financial statements of the Company for the year ended on that date.

1. 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 Act.

2. Auditor’s 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”) issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. 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.

3. 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:

- (a) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (b) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and
- (c) 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.

4. 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.

5. Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were, operating effectively as at 31st March, 2021, 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 Parikh & Parikh

Chartered Accountants
Firm Regn No.: 107526W

CA Milan G Parikh

Proprietor
Mem. No.: 038557
ICAI UDIN: 21038557AAAAHA6235

Mumbai, 30 June 2021

Annexure “B” to Independent Auditor’s Report

(Referred to in para 8(2) of the Independent Auditor’s Report on the Standalone Ind AS financial statements for the year ended 31st March 2021)

Report on the Companies(Auditor’s Report)Order, 2016 (the Order) issued by the Central Government in terms of Section 143(11) of the Companies Act, 2013 (the Act) of SHIRPUR GOLD REFINERY LIMITED (the Company)

i) In respect of Fixed Assets:

- a) The company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- b) The Company has a regular program of physical verification of its fixed assets, in phased manner designed to cover all the items during the year. In our opinion, this program and periodicity is reasonable having regard to the size of the company and the nature of its assets. In accordance with this program, fixed assets have been physically verified by the Management during the year and as per the information and explanations given, records produced, we observe that no material discrepancies were noticed on such verification.
- c) In our opinion and according to information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of freehold immovable property of land and building, as disclosed in Note no. 2 – Property, Plant and Equipment, to the standalone financial statements, are held in the name of the Company.

ii) Inventory:

As per the information and explanations given, the inventories have been physically verified by the Management at reasonable intervals during the year. In our opinion the frequency and the procedure of such verification followed by the management is reasonable and adequate in relation to the size of the company and nature of its business. The discrepancies noticed on verification between the physical stocks and the book records were not material and accordingly dealt with in the books of account.

iii) Loans, secured or unsecured granted covered under Section 189 of the Act:

According to the information and explanations given to us, the Company has not granted any secured or unsecured loans to companies, firms, Limited Liability Partnerships or other parties, except to its wholly owned foreign subsidiary, covered in the Register maintained under Section 189 of the Act. Accordingly, paragraph 3(iii) of the Order is not applicable to the Company.

iv) Loan to directors, investment, and guarantees under Sections 185 and 186 of the Act:

In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Section 185 and 186 of the Act, with respect to the loan and/or guarantees given and investments made, as applicable. No security has been provided.

v) Public Deposits:

In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the public during the year in terms of the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the rules framed there under. Accordingly, paragraph 3(v) of the Order is not applicable to the Company.

vi) Cost Records:

According to information and explanation given to us, the Central Government has not prescribed under sub-Section (1) of Section 148 the Act, the maintenance of cost records under the Companies (Cost Records and Audit) Rules, 2014 hence paragraph (vi) this clause is not applicable to the Company.

vii) Payment of statutory dues:

- a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, undisputed statutory dues including provident fund, employees’ state insurance, income-tax, Goods and Service Tax (GST), sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and material statutory dues have generally been regularly deposited during the year with the appropriate authorities.

There are no undisputed amounts payable in respect of the aforesaid dues, which were in arrears as at 31st March, 2021 for a period of more than six months from the date they became payable.

- b) According to information and explanations given to us and the records of company examined by us, there are no other dues of Income Tax or Sales Tax or Service Tax or Goods and Service Tax (GST) or duty of Customs or duty of Excise or Value added tax which have not been deposited by the Company on account of disputes, except for the following:

Disputed Liabilities under Income tax Act 1961:

Nature of Statute	Amount (in Million)	Period to which the amount relate (Assessment Year)	Forum where dispute is pending
Income Tax Act 1961	0.62*	2001 – 02	Income Tax Appellate Tribunal, Mumbai

*Adjusted against the refund of ₹1.00 Million, balance refundable.

viii) Default on dues of the financial institutions, banks and government:

In our opinion and according to the information and explanations given to us, and based on the records of the Company, the Company has defaulted during the year in repayment of loans or borrowings to banks and financial institution, as detailed in Note no. 3(ii) of the Independent Auditor's Report of even date, annexed hereto, and the default continues till the date of our reporting. There are no dues to the Government, as per records produced. The Company did not have any outstanding debentures during the year.

ix) Application Of term loans and public offers:

According to the information and explanation given to us, the Company has not raised any new loans or working capital hence the rest of the details required to be reported in this clause is not applicable. The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year.

x) Frauds:

During the course of our examination of books of accounts and records of the company, carried out in accordance with the generally accepted auditing practices in India and according to the information and explanations given to us, we have neither come across any instance of material fraud on the Company or by the Company, noticed or reported during the year, nor have been informed of such cases by the management.

xi) Managerial remuneration:

According to the information and explanations given to us and based on our examination of the records of the Company, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.

xii) Nidhi Companies:

According to the information and explanations given to us,

the Company is not a Nidhi Company as prescribed under Section 406 of the Act. Accordingly, paragraph 3(xii) of the order and the Nidhi Rules, 2014 are not applicable.

xiii) Transactions with related parties:

According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with Sections 177 and 188 of the Act where applicable. The details of such related party transactions have been disclosed at Note no. 48 to the standalone Ind AS financial statements as required under Accounting Standard (AS) 18, Related Party Disclosures specified under Section 133 of the Act, read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015.

xiv) Preferential allotment or private placement of securities:

According to the information and explanations 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. Accordingly, paragraph 3(xiv) of the Order is not applicable to the Company.

xv) Non-cash transactions with Directors:

According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with them. Accordingly, paragraph 3(xv) of the Order is not applicable to the Company.

xvi) Registration with Reserve Bank of India:

In our opinion and according to the information and explanations given to us, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, paragraph 3(xvi) of the Order is not applicable to the Company.

For Parikh & Parikh

Chartered Accountants
Firm Regn No.: 107526W

CA Milan G Parikh

Proprietor
Mem. No.: 038557
ICAI UDIN: 21038557AAAAHA6235

Mumbai, 30 June 2021

Balance Sheet as at 31st March, 2021

(₹ in Millions)

Particulars	Notes	As at March 31, 2021	As at 31 March, 2020
ASSETS			
Non-Current Assets			
Property, Plant & Equipments	2	1,384.69	1,446.45
Financial Assets			
(i) Investments	3	337.49	337.49
(ii) Other Financial Assets	4	2.63	2.64
Deferred Tax Assets (net)	5	461.34	461.34
Income Tax Assets (Net)	6	26.48	28.28
Other Non-Current Assets	7	19.31	19.31
Total Non -Current Assets		2,231.94	2,295.51
Current Assets			
Inventories	8	7.22	14.43
Financial Assets			
(i) Trade Receivables	9	915.25	2,981.65
(ii) Cash and Cash Equivalents	10	16.45	5.59
(iii) Bank Balances other than (ii) above	11	0.13	145.16
(iv) Loans	12	26.09	26.10
(v) Other Financial Assets	13	1.65	1.65
Other Current Assets	14	189.46	249.52
Total Current Assets		1,156.25	3,424.10
TOTAL ASSETS		3,388.19	5,719.61
EQUITY AND LIABILITIES			
Equity			
Equity Share Capital	15	291.37	291.37
Other Equity	16	(962.20)	1,623.80
Total Equity		(670.83)	1,915.17
Liabilities			
Non-Current Liabilities			
Financial Liabilities			
(i) Borrowings	17	449.90	449.90
(ii) Other Financial Liabilities	18	15.36	15.36
Provisions	19	-	1.58
Total Non Current Liabilities		465.26	466.84
Current Liabilities			
Financial Liabilities			
(i) Borrowings	20	2,831.70	2,971.64
(ii) Trade Payables	21		
a). Total Outstanding dues of micro enterprises & Small enterprises			
b). Total Outstanding dues of creditors other than micro enterprises and small enterprises		148.50	151.98
(iii) Other Financial Liabilities	22	613.46	213.62
Provisions	23	0.12	0.36
Total Current Liabilities		3,593.78	3,337.60
Total Liabilities		4,059.04	3,804.44
Total Equity and Liabilities		3,388.19	5,719.61
Notes forming part of the standalone financial statements	1-66		

In terms of our report of even date attached

For **Parikh & Parikh**
Chartered Accountants
FR.No.: 107526W

For and on behalf of the Board of Directors

CA Milan Parikh
Proprietor
Membership No. 038557
Place: Mumbai
Date: 30th June 2021

Shankar Bhandari - Director
Kavita Kapahi - Director
Shyamal Padhiar - Company Secretary

Statement of Profit and Loss for the year ended 31st March, 2021

(₹ in Millions)

Particulars	Notes	For the year ended March 31, 2021	For the year ended March 31, 2020
Revenue			
I Revenue from Operations	24	-	5,406.38
II Other Income	25	3.80	15.63
III Total Revenue (I + II)	(I+II)	3.80	5,422.01
IV Expenses			
a) Cost of Materials consumed	26	5.85	2,448.15
b) Purchase of Stock-in-Trade	27	-	2,518.58
c) Changes in inventories of finished goods, work-in-progress and stock-in-trade"	28	1.37	346.86
d) Employee Benefits Expense	29	8.02	19.12
e) Finance Cost	30	395.67	408.34
f) Depreciation & Amortization Expense	31	61.76	64.47
g) Other Expenses	32	2,117.14	1,091.10
Total Expenses (IV)		2,589.81	6,896.62
V Profit(Loss) before Tax (III - IV)		(2,586.01)	(1,474.61)
VI Less : Tax Expenses			
a) Current Tax (Mat)			
b) Deferred Tax Charged/(Credit)			
VII Profit(Loss) after Tax for the Period/Year (VI - VII)		(2,586.01)	(1,474.61)
VIII Other comprehensive income (Loss)			
Item that will not be reclassified to profit or loss			
Re-measurement of defined benefit plans		-	(1.09)
Tax Expense			
Total Other comprehensive income (Loss)		-	(1.09)
X Total comprehensive income(Loss) for the period/year		(2,586.01)	(1,475.70)
XI Paid-up Equity Shares Capital (face value ₹10/- each)		291.37	291.37
XII Reserves excluding Revaluation Reserves		(962.20)	1,623.80
XII Basic & Diluted earning per share (not annualized) (in ₹)		(88.75)	(50.61)
Notes forming part of the standalone financial statements	1-66		

In terms of our report of even date attached

For **Parikh & Parikh**
Chartered Accountants
FR.No.: 107526W

For and on behalf of the Board of Directors

CA Milan Parikh
Proprietor
Membership No. 038557
Place: Mumbai
Date: 30th June 2021

Shankar Bhandari - Director
Kavita Kapahi - Director
Shyamal Padhiar - Company Secretary

Cash Flow Statement for the year ended 31st March, 2021

Particulars	As at March 31, 2021	As at March 31, 2020
A. CASH FLOW FROM OPERATING ACTIVITIES:		
Net Profit before Taxation and Extraordinary Items	(2,586.00)	(1,474.61)
Adjustment for :		
Depreciation and Amortization Expenses	61.76	64.47
Finance Cost	395.67	408.34
Reserve for Doubtful Debts	2,065.02	1,061.19
Re-measurement of defined benefit plans	-	(1.09)
Excess Provision Liabilities written back	-	0.84
Profit on Sale of Investment	-	0.07
Operating Profit /(Loss) before Working Capital Changes	(63.55)	59.21
Adjustment for :		
Change in Current Assets & Current Liabilities		
(Increase) /Decrease in Inventory	7.22	348.01
(Increase)/ Decrease in other Current Assets	60.06	987.20
(Increase)/ Decrease in Trade Receivables	1.37	(1,247.77)
Increase/(Decrease) in Trade Payables & Current Liabilities	396.12	208.70
Increase/(Decrease) in Other Non Current Liabilities & Provisions	(1.58)	(3.58)
Cash Generated from Operation	463.19	292.56
Less: Direct taxes paid (Net)		
Net Cash flow from Operating Activities	399.64	351.77
B. CASH FLOW FROM INVESTING ACTIVITIES :		
Purchase of Property Plant & Equipments		(0.03)
Dividend Received		
Investment in Foreign Subsidiaries		
Investment in Other Non Current Assets	1.81	(1.88)
Net Cash Generated in Investing Activities	1.81	(1.91)
C. CASH FLOW FROM FINANCING ACTIVITIES :		
Finance Cost	(395.67)	(408.34)
Redemption/(Investment) in Fixed Deposits	145.03	437.59
Increase/(Decrease) in Non Current Borrowings	-	(650.00)
Increase/(Decrease) in Current Borrowings	(139.94)	117.25
Net Cash Generated in Financing Activities	(390.58)	(503.50)
NET CASH FLOW DURING THE YEAR (A+B+C)	10.86	(153.64)
Cash and cash equivalents at the beginning of the year*	5.59	159.24
Cash and cash equivalents at the end of the year*	16.45	5.59

- Notes:** 1. Cash Flow Statement has been prepared under the indirect method as set out in the Ind AS-7 "Cash Flow Statements"
2. Previous year's figures have been regrouped, rearranged, reclassified wherever applicable.
3. *Cash & cash equivalent includes Cash and Bank Balance only.

In terms of our report of even date attached

For **Parikh & Parikh**
Chartered Accountants
FR.No.: 107526W

CA Milan Parikh
Proprietor
Membership No. 038557
Place: Mumbai
Date: 30th June 2021

For and on behalf of the Board of Directors

Shankar Bhandari - Director
Kavita Kapahi - Director

Shyamal Padhiar - Company Secretary

Statement of Changes in Equity for the year ended 31st March, 2021

A. EQUITY SHARE CAPITAL

(₹ in Millions)

Particulars	Amount
Balance as at 1 April 2019	291.37
Changes in equity share capital during the year	-
Balance as at 31 March 2020	291.37
Changes in equity share capital during the year	-
Balance as at 31 March 2021	291.37

B. OTHER EQUITY

(₹ in Millions)

Particulars	Reserves & Surplus				
	Retained earnings	Capital Reserve	General Reserve	Security Premium Reserve	Total
Balance as at 1 April 2019	10.40	585.51	1,068.59	1,435.00	3,099.50
Restatement of prior period items	-	-	-	-	-
Profit for the year	(1,474.61)	-	-	-	(1,474.61)
Other comprehensive income (net of tax)	(1.09)	-	-	-	(1.09)
Issue of equity shares	-	-	-	-	-
Other Adjustments with holding company	-	-	-	-	-
Balance as at 31 March 2020	(1,465.30)	585.51	1,068.59	1,435.00	1,623.80
Profit for the year	(2,586.01)	-	-	-	(2,586.01)
Other comprehensive income (net of tax)	-	-	-	-	-
Issue of equity shares	-	-	-	-	-
Other Adjustments with holding company	-	-	-	-	-
Balance as at 31 March 2021	(4,051.31)	585.51	1,068.59	1,435.00	(962.20)

In terms of our report of even date attached

For **Parikh & Parikh**
Chartered Accountants
FR.No.: 107526W

For and on behalf of the Board of Directors

CA Milan Parikh
Proprietor
Membership No. 038557
Place: Mumbai
Date: 30th June 2021

Shankar Bhandari - Director
Kavita Kapahi - Director

Shyamal Padhiar - Company Secretary

Notes forming part of the Financial Statements

CORPORATE INFORMATION

Shirpur Gold Refinery Limited ("SGRL" or "the Company") is incorporated in the state of Maharashtra, India and is listed on Bombay Stock Exchange of India Limited (BSE) and National Stock Exchange of India Limited (NSE) in India. The Registered office and Plant of the Company is situated at Refinery Site, Shirpur, Dist : Dhule, Maharashtra-425 505. The Company has been in the business of manufacturing and trading of gold bars, gold coins, gold jewelry and export of gold jewelry..

1. SIGNIFICANT ACCOUNTING POLICIES

a) Statement of Compliance

These financial statement have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the Ind AS) as notified by Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act,2013 (the Act) read with of the Companies (Indian Accounting Standards) Rules 2015 as amended.

b) Basis of Preparation of financial statements

The financial statements have been prepared on going concern basis in accordance with accounting principles generally accepted in India. Further, the financial statements have been prepared on historical cost basis except for certain financial assets, financial liabilities and share based payments which are measured at fair values as explained in relevant accounting policies.

c) Current versus non-current classification

All assets and liabilities have been classified as current or non-current, wherever applicable as per the operating cycle of the Company and other criteria set out in the Act. Deferred tax assets and liabilities are classified as non-current assets and non-current liabilities, as the case may be.

d) Property, Plant and Equipment and Capital Work in Progress

Recognition and initial measurement:

Property, plant and equipment are recorded at the cost of acquisition. The cost comprises purchase price, borrowing cost if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use upto the date when the assets are ready for use. Any trade discount, recoverable taxes and rebates are deducted in arriving at the purchase price. All other repairs and maintenance are recognized in statement of profit and loss as incurred.

Subsequent measurement Depreciation and useful lives)

Property, plant and equipment are subsequently measured at cost less depreciation and impairment loss. Based on an independent technical evaluation, the useful life of following PPE has been estimated as 05-60 years (on a single Shift basis), which is different from that prescribed in Schedule II of the Companies Act, 2013.

Assets	Management's Estimate of Useful Life
Concrete Road – GB	60 Years
Airport Complex	30 Years
Plant & Machinery	05-40 years

Depreciation on additions to assets or on sale/discarded of assets, is calculated pro-rata from the month of such addition or up to the month of such sale/ discarded, as the case may be.

De-recognition

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

e) Other Intangible assets

Recognition and initial measurement

Intangible assets are recognised if it is probable that the future economic benefits that are attributable to the asset will flow to the Company and the cost of the asset can be measured reliably. These assets are valued at cost which comprises the purchase price and any directly attributable expenditure on making the asset ready for its intended use.

Subsequent measurement (amortisation)

Intangible assets are amortized on straight line basis over the economic useful life estimated by the management.

f) Impairment of non-financial assets

At each reporting date, the Company assesses whether there is any indication based on internal/external factors, that an asset may be impaired. If any such indication

Notes forming part of the Financial Statements

exists, the Company estimates the recoverable amount of the asset. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount and the reduction is treated as an impairment loss and is recognised in the statement of profit and loss. If, at the reporting date there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount. Impairment losses previously recognized are accordingly reversed in the statement of profit and loss.

g) Impairment of financial assets

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss for financial assets. ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive. When estimating the cash flows, the Company is required to consider –

1. All contractual terms of the financial assets (including prepayment and extension) over the expected life of the assets.
2. Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

h) Revenue Recognition

Ind AS 115 'Revenue from Contracts with Customers

The Companies (Indian Accounting Standards) Amendment Rules, 2018 issued by the Ministry of Corporate Affairs (MCA) notified Ind AS 115 "revenue from Contracts with Customers" related to revenue recognition which replaces all existing revenue recognition standards and provide a single, comprehensive model for all contracts with customers. The revised standard contains principles to determine the measurement of revenue and timing of when it is recognized.

Revenue is recognized to the extent it is probable that economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is a measured at the fair value of the consideration received

or receivable. All revenues are accounted on accrual basis except to the extent stated otherwise.

- Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.
- Revenue is measured at the fair value of the consideration received/receivable net of rebates and taxes. The Company applies the revenue recognition criteria to each nature of the sales transaction as set out below.
- Sale of Goods is recognized on transfer of all significant risks and rewards of ownership to the buyer and when no significant uncertainty as to collectability exists.
- Revenues/ incomes and Costs/ Expenditure are generally accounted on accrual, as they are earned or incurred.
- Interest is accounted on time proportion and accrual basis
- Dividend income is accounted when the right to receive the same is unconditional.

i) Inventories

- Inventories of consumables, raw materials, work-in-progress and finished goods are valued at lower of cost or realizable value. The comparison of cost and net realizable value is made on Market Value or Realizable Value basis.
- In determining cost of raw materials, packing materials, stock-in-trade, stores, spares and consumables, FIFO method is used. Cost of inventory comprises all costs of purchase, duties, taxes (other than those subsequently recoverable from tax authorities) and all other costs incurred in bringing the inventory to their present condition.
- Cost of finished goods and work-in-process includes the cost of raw materials, an proportionate/ appropriate share of fixed and variable production overheads, duties and taxes as applicable and other costs incurred in bringing the inventories to their present form.

Notes forming part of the Financial Statements

j) Borrowing Cost

Borrowing costs include interest and other costs that the Company incurs in connection with the borrowing of funds.

Borrowing costs related to a qualifying asset that necessarily takes a substantial period of time to get ready for its intended use is worked out on the basis of actual utilization of funds out of project specific loans and/or other borrowings to the extent identifiable with the qualifying asset and is capitalized with the cost of qualifying asset, using the effective interest method. All other borrowing costs are charged to statement of profit and loss.

In case of significant long-term loans, other costs incurred in connection with the borrowing of funds are amortized over the period of respective loan.

k) Investments

- Investments intended to be held for more than a year from the date of the acquisition are classified as Non Current Investments and are carried at Cost. Provision for diminution in the value of Non-Current investments is made only if in the opinion of management, such decline is other than temporary in nature.
- Current Investments are carried at lower of cost or fair value. The comparison of cost and fair value is done separately in respect of each category of investments. On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the Statement of Profit and Loss. Profit or Loss on sale of investments is determined on a first-in-first-out (FIFO) basis.

l) Transactions in Foreign Exchange

The functional currency of the Company is Indian Rupee (₹) which is also the presentation currency.

- Initial recognition: Foreign currency transactions are accounted at the exchange rate prevailing on the date of such transactions.
- Measurement of Foreign Currency items at the Balance Sheet date: Foreign currency monetary items are translated using the exchange rate prevailing at the reporting date. Exchange differences arising

on settlement of monetary items or on reporting such monetary items at rates different from those at which they were initially recorded during the period or reported in previous financial statements are recognized as income or as expenses in the period in which they arise.

- Forward Exchange Contracts: The premium or discount arising at the inception of forward exchange contracts entered into to hedge an existing asset/liability, is amortized as expense or income over the life of the contract. Any profit or loss arising on cancellation or renewal of such forward exchange contract during the reporting period, is recognized as income or expense for the period, in the Statement of Profit and Loss.
- Accounting of foreign branch: Current assets and liabilities are converted at the appropriate rates of exchange prevailing on the date of the Balance Sheet and revenue and expenses are at average rate.

m) Financial Derivative for Commodity Hedging Transactions

In respect of derivative contracts, gain/losses on settlement are recognized in the Statement of Profit and Loss. On the reporting date, profit or loss of all unsettled/outstanding contracts is determined by comparing the value of the position at the mark to market and recognized in the Statement of Profit and Loss.

n) Post-employment, long term and short term employee benefits

1. Post employment benefits

i. Defined contribution plan

The Company deposits the contributions for provident fund and employees' state insurance to the appropriate government authorities and these contributions are recognised in the Statement of Profit and Loss in the financial year to which they relate.

ii. Defined benefit plan

The Company's gratuity scheme is a defined benefit plan. The present value of the obligation under such defined benefit plan is determined based on actuarial valuation carried out at the end of the year by an independent actuary,

Notes forming part of the Financial Statements

using the projected unit credit method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation. The obligation is measured at the present value of the estimated future cash flows. The discount rates used for determining the present value of the obligation under defined benefit plans is based on the market yields on Government Securities for relevant maturity. Actuarial gains and losses are recognized immediately in the Statement of Other Comprehensive Income

2. Other long term employee benefits

Benefits under the Company's compensated absences constitute other long-term employee benefits. The liability in respect of compensated absences is provided on the basis of an actuarial valuation done by an independent actuary using the projected unit credit method at the year end. Actuarial gains and losses are recognized immediately in the Statement of Profit and Loss.

3. Short-term employee benefits

All employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits. Benefits such as salaries, wages, and bonus, etc., are recognized in the Statement of Profit and Loss in the period in which the employee renders the related service.

o) Earnings/(loss) per share

Basic earning/loss per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

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

p) Accounting for taxes on Income

Tax expense recognized in statement of profit and loss comprises the sum of deferred tax and current tax except

the ones recognized in other comprehensive income or directly in equity.

Current tax is determined as the tax payable in respect of taxable income for the year and is computed in accordance with relevant tax regulations.

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

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

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

q) Provisions

A provision is recognized when there is a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation; in respect of which a reliable estimate can be

Notes forming part of the Financial Statements

made. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current management estimates.

r) **Contingent Liabilities**

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not require an outflow of resources. When there is a possible obligation or a present obligation in respect of which likelihood of outflow of resources is remote, no provision or disclosure is made. Contingent Liabilities are not recognized but are disclosed by way of Notes. Contingent assets are neither recognized nor disclosed in the financial statements.

s) **Contingencies and Events occurring after the Balance Sheet date**

All the major contingencies i.e., a condition or situation the ultimate outcome of which is known or determined only on their occurrences or non-occurrences of uncertain future events, till the signing of the financial statements, have been recognized.

Material events occurring after the balance sheet date till signing of thereof, affecting the going concern assumption or having material impact on the financial statements, are recognized.

t) **Cash and cash equivalents**

Cash and cash equivalents comprises cash at bank and in hand, cheques in hand and short term investments that are readily convertible into known amount of cash and are subject to an insignificant risk of change in value.

u) **Leases**

i) **Finance lease**

Assets held under finance leases are recognized as assets of the Company at their fair value on the date of acquisition, or, if lower, at the present value of the minimum lease payments. The corresponding liability to the lessor is included in the balance sheet as a finance lease obligation. Lease payments are apportioned between finance charges and reductions of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance expenses are recognized

immediately in statement of profit and loss account, unless they are directly attributable to qualifying assets, in which case they are capitalized in accordance with the general policy on borrowing costs. Contingent rentals are recognized as expenses in the periods in which they are incurred.

ii) **Operating lease**

Lease of assets under which all the risks and rewards of ownership are effectively retained by the lessor are classified as operating leases. Operating Lease payments / revenue are recognized on straight line basis over the lease term in the statement of profit and loss, unless the lease agreement explicitly states that increase is on account of inflation.

v) **Significant management judgement in applying accounting policies and estimation uncertainty**

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent liabilities on the date of the financial statements and the results of operations during the reporting periods. Although these estimates are based upon management's knowledge of current events and actions, actual results could differ from those estimates and revisions, if any, are recognized in the current and future periods.

w) **Exceptional items**

Certain occasions, the size, type, or incidences of the item of income or expenses pertaining to the ordinary activities of the Company is such that its disclosure improves the understanding of the performance of the Company, such income or expenses is classified as an exceptional item and accordingly, disclosed in the financial statements.

x) **Financial Instruments**

Financial instruments is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Initial Recognition

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets

Notes forming part of the Financial Statements

and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in the statement of profit and loss.

Subsequent Measurement

Financial assets are classified into the following specified categories: amortised cost, financial assets 'at fair value through profit or loss' (FVTPL), 'at amortised cost, 'Fair value through other comprehensive income (FVTOCI). The classification depends on the Company's business model for managing the financial assets and the contractual terms of cash flows.

Debt Instrument

Amortised Cost

A financial asset is subsequently measured at amortised cost if it is held with in a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. This category generally applies to trade and other receivables.

Fair value through other comprehensive income (FVTOCI)

A 'debt instrument' is classified as at the FVTOCI, if both of the following criteria are met:

- The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
- The asset's contractual cash flows represent solely payments of principle and interest.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the Company recognizes interest income, impairment losses, reversals and foreign exchange gain or loss in the statement of Profit and Loss. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to statement of Profit

and Loss . Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the Effective Interest Rate (EIR) method.

Fair value through Profit and Loss (FVTPL)

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

In addition, the Company may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is considered only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch').

Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the statement of Profit and Loss.

Reclassification of financial assets

The company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The company's senior management determines change in the business model as a result of external or internal changes which are significant to the company's operations. Such changes are evident to external parties. A change in the business model occurs when the company either begins or ceases to perform an activity that is significant to its operations. If the company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The company does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

Derecognition of financial assets

The Company derecognises a financial asset when the rights to receive cash flows from the asset have expired, or the Company has transferred its rights to receive cash flows from the asset.

Notes forming part of the Financial Statements

Impairment of financial assets

The Company recognizes loss allowances using the expected credit loss (ECL) model for the financial assets which are not fair valued through statement of Profit and Loss. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime ECL. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL. The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognised is recognized as an impairment gain or loss in statement of Profit and Loss.

Financial liabilities

Subsequent Measurement

Financial liabilities measured at amortised cost

Financial liability are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in statement of Profit and Loss when the liabilities are derecognized as well as through the EIR amortization process. Amortized cost is calculated by taking into account any discount or premium on acquisition and fee or costs that are an integral part of the EIR. The EIR amortization is included in finance costs in the statement of profit and loss.

Financial liabilities measured at FVTPL (fair value through profit or loss)

Financial liabilities at FVTPL include financial liabilities held for trading and financial liabilities designated upon initial recognition as at FVTPL. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. Financial liabilities at fair value through statement of Profit and Loss are carried in the statement of financial position at fair value with changes in fair value recognized in finance income or finance costs in the income statement.

Derecognition of financial liabilities

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or

the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the statement of profit or loss.

Offsetting of financial instruments

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

Determination of fair value

Fair value is the price that would be received on sale of an asset or paid to transfer a liability in an ordinary transaction between market participants at the measurement date.

In determining the fair value of its financial instruments, the Company uses a variety of methods and assumptions that are based on market conditions and risks existing at each reporting date. The methods used to determine fair value include discounted cash flow analysis and available quoted market prices. All methods of assessing fair value result in general approximation of value, and such value may never actually be realized.

y) Share based payments

The Company recognizes compensation expense relating to share-based payments in the statement of profit and loss using fair value in accordance with Ind AS 102, "Share-based Payments". The estimated fair value of awards is charged to statement of profit and loss on a straight-line basis over the requisite service period for each separately vesting portion of the award as if the award was in-substance, multiple awards with a corresponding increase to share based payment reserves.

z) Business combinations

Business combinations are accounted for using the acquisition method as per Ind AS 103, Business Combinations. The cost of acquisition is measured at the fair value of the assets transferred, equity instruments issued and liabilities incurred or assumed at the date of acquisition, which is the date on which control is transferred to the Company. The cost of acquisition also includes the fair value of any contingent consideration. Identifiable assets acquired and liabilities and contingent

Notes forming part of the Financial Statements

liabilities assumed in a business combination are measured initially at their fair value on the date of acquisition. Business combinations between entities under common control is accounted for at carrying value. Transaction costs that the Company incurs in connection with a business combination such as finder's fees, legal fees, due diligence fees, and other professional and consulting fees are expensed as incurred.

Significant management judgements

The following are significant management judgements in applying the accounting policies of the Company that have the most significant effect on the financial statements.

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

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

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

Significant estimates

Information about estimates and assumptions that have the most significant effect on recognition and measurement of assets, liabilities, income and expenses is provided below. Actual results may be different.

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

Defined benefit obligation (DBO): Management's estimate of the DBO is based on a number of critical underlying assumptions such as standard rates of inflation, medical cost trends, mortality, discount rate and anticipation of future salary increases. Variation in these assumptions may significantly impact the DBO amount and the annual defined benefit expenses.

Fair value measurements: Management applies valuation techniques to determine the fair value of financial instruments (where active market quotes are not available). This involves developing estimates and assumptions consistent with how market participants would price the instrument.

Useful lives of depreciable/amortizable assets: Management reviews its estimate of the useful lives of depreciable/amortizable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technical and economic obsolescence that may change the utility of certain software, customer relationships, IT equipment and other plant and equipment.

Notes forming part of the Financial Statements

2. Property, Plant & Equipments

(₹ in Millions)

Particulars	Free Hold Land	Land Development	Buildings	Airport Complex	Plant and equipments	Vehicles	Computers	Office equipment	Furniture and fixtures	Electrical Installations	Total
Gross carrying amount											
As at 1 April 2019	5.45	26.57	304.73	52.69	3,097.01	0.41	22.28	7.63	43.38	73.33	3,633.49
Additions	-	-	-	-	-	-	-	-	-	-	-
Less: Disposal/ adjustments	-	-	-	-	-	-	-	-	-	-	-
As at 31 March 2020	5.45	26.57	304.73	52.69	3,097.01	0.41	22.28	7.63	43.38	73.33	3,633.49
Additions	-	-	-	-	-	-	-	-	-	-	-
Disposal/ adjustments	-	-	-	-	-	-	-	-	-	-	-
As at 31 March 2021	5.45	26.57	304.73	52.69	3,097.01	0.41	22.28	7.63	43.38	73.33	3,633.49
Accumulated depreciation											
As at 1 April 2019	-	21.19	194.58	42.11	1,722.19	0.40	22.00	7.33	41.32	71.46	2,122.58
Additions	-	0.27	3.62	0.72	58.27	-	0.12	0.12	0.34	1.00	64.47
Less: Disposal/ adjustments	-	-	-	-	-	-	-	-	-	-	-
As at 31 March 2020	-	21.46	198.20	42.83	1,780.46	0.40	22.12	7.45	41.66	72.46	2,187.04
Additions	-	0.27	3.60	0.73	56.57	-	0.07	0.10	0.34	0.08	61.76
Less: Disposal/ adjustments	-	-	-	-	-	-	-	-	-	-	-
As at 31 March 2021	-	21.73	201.79	43.55	1,837.03	0.40	22.19	7.55	42.00	72.54	2,248.80
Net Block as at 1 April 2019	5.45	5.38	110.15	10.58	1,374.82	0.01	0.28	0.30	2.06	1.87	1,510.90
Net Block as at 31 March 2020	5.45	5.11	106.54	9.85	1,316.55	0.01	0.16	0.18	1.72	0.87	1,446.45
Net Block as at 31 March 2021	5.45	4.84	102.94	9.14	1,259.98	0.01	0.09	0.08	1.38	0.79	1,384.69

Notes forming part of the Financial Statements

3. Non Current Investments (Valued at cost unless otherwise stated)

Unquoted

(₹ Millions)

Particulars	As at March 31, 2021	As at March 31, 2020
In Wholly owned Subsidiary - fully paid up		
18450 (18450) Equity Shares of Shirpur Gold DMCC of AED 1000 each	337.28	337.28
In others		
Investment in equity instrument (unquoted)		
8500 (8500) Equity Shares of Shirpur People Co-op. Bank Ltd. of ₹ 10/- each, fully paid up	0.21	0.21
Investment in Gold	-	-
Total	337.49	337.49

Aggregate amount of unquoted investments

4. Other Financial Assets

(₹ Millions)

Particulars	As at March 31, 2021	As at March 31, 2020
Security Deposits	2.63	2.64
(b) Loans and advances to related parties		
(c) Other loans and advances		
Total	2.63	2.64

5. Deferred Tax Assets (Net)

(₹ Millions)

Particulars	As at March 31, 2021	As at March 31, 2020
As per last year Balance Sheet	461.34	461.34
Less : Deferred Tax Liability	-	-
Total	461.34	461.34

6. Income Tax Assets (Net)

(₹ Millions)

Particulars	As at March 31, 2021	As at March 31, 2020
Income tax Assets	44.88	46.68
Less : Provision for Income Tax	(18.40)	(18.40)
Balance with government authorities- Direct tax(net of provisions)		
Total	26.48	28.28

Notes forming part of the Financial Statements

7. Other Non-Current Assets (Unsecured and considered good)

(₹ Millions)

Particulars	As at March 31, 2021	As at March 31, 2020
Preoperative expenses - Mines*	19.31	19.31
Total	19.31	19.31

* Pre-acquisition expenses incurred for acquiring gold mine for backward integration.

8. Inventories (Valued at lower of cost or net realisable value)

(₹ Millions)

Particulars	As at March 31, 2021	As at March 31, 20120
Raw Materials and components	0.00	0.01
Work-in-progress	1.33	2.65
Finished goods	0.04	0.08
Stock in Trade		
Stores and spares	5.85	11.69
Total	7.22	14.43

9. Trade Receivables (Unsecured and considered good)

(₹ Millions)

Particulars	As at March 31, 2021	As at March 31, 2020
Secured, considered good	1.43	1,530.51
Cosidered Doubtful	4,040.04	2,512.33
	4,041.46	4,042.84
Less Allowances for Credit Loss	3,126.21	1,061.19
Total	915.25	2,981.65

10. Cash and Cash Equivalents

(₹ Millions)

Particulars	As at March 31, 2021	As at March 31, 2020
Balances with banks		
In Current Accounts	16.20	5.32
Cash in hand	0.26	0.27
Total	16.45	5.59

Notes forming part of the Financial Statements

11. Bank Balances other than Cash and Cash Equivalents

Particulars	(₹ Millions)	
	As at March 31, 2021	As at March 31, 2020
Balance with banks		
- in Fixed Deposits with maturity upto twelve months*	0.13	145.16
Total	0.13	145.16

* Included non current portion ₹ In millions 0.03 (0.03)

12. Loans

Particulars	(₹ Millions)	
	As at March 31, 2021	As at March 31, 2020
Loans to Subsidiaries-(Unsecured)	26.09	26.10
Total	26.09	26.10

13. Other Current Financial Assets

Particulars	(₹ Millions)	
	As at March 31, 2021	As at March 31, 2020
Others	1.65	1.65
Total	1.65	1.65

14. Other Current Assets

Particulars	(₹ Millions)	
	As at March 31, 2021	As at March 31, 2020
Prepaid Expenses	1.09	1.27
Advance to suppliers-Unsecured	3.02	2.98
Dues from Government (Taxes)	24.43	78.21
Others including insurance claim receivable	160.92	164.96
Interest on Loan to Related Parties	-	2.10
Total	189.46	249.52

Notes forming part of the Financial Statements

15. Share Capital

(₹ Millions)

Particulars	As at March 31, 2021	As at March 31, 2020
Authorised 35,000,000 (35,000,000) Equity Shares of ₹ 10/- each	350.00	350.00
Issued, Subscribed and Paid up 29,137,202 (29,137,202) Equity Shares of ₹ 10/- each, fully paid up	291.37	291.37
Total	291.37	291.37

(a) Reconciliation of number of shares and share capital

(₹ Millions)

Particulars	As at 31 March, 2021		As at 31 March, 2020	
	Number	Million	Number	Million
Shares outstanding at the beginning of the year	29,137,202	291.37	29,137,202	291.37
Changes during the year	-	-	-	-
Shares outstanding at the end of the year	29,137,202	291.37	29,137,202	291.37

(b) Details of Shareholders holding more than 5% equity shares in the company

Particulars	% of holding	As at 31 March, 2021
		Number
Jayneer Infrapower & Multiventures Pvt. Ltd. (formally known as Jayneer Capital Private Limited)	43.66	12,720,703
Polus Global Fund	2.20	640,478
Pricomm Media Distrution Ventures Pvt. Ltd.	5.27	1,537,995

- (c) The company has only one class of shares referred to as equity shares having a par value of Rs 10 per share. All the shares are ranking pari-passu in all respects. Each holder of equity share is entitled to one vote per share. As per the Companies Act, 1956, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts in the event of liquidation of the company. However no such preferential amounts exist currently. The distribution will be in proportion to the number of equity shares held by the Shareholders.
- (d) Neither bonus shares are issued nor any shares bought back during the five years preceding 31st March 2021.
- (e) As per records of the Company, including Register of Shareholders/Members and other declaration received from the shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownership of shares.

Notes forming part of the Financial Statements

16. Other Equity

(₹ Millions)

Particulars	As at March 31, 2021	As at March 31, 2020
Securities Premium Account	1,435.00	1,435.00
General Reserve	1,068.59	1,068.59
Capital Reserve	585.51	585.51
Retained earnings		
a. Opening Balance	(1,465.30)	10.40
b. Add: Net Profit after tax transferred from statement of profit and loss	(2,586.01)	(1,474.61)
c. Add: Other Comprehensive income, Net of tax	-	(1.09)
Closing Balance (a+b-c)	(4,051.31)	(1,465.30)
Total	(962.20)	1,623.80

17. Non Current Liabilities - Borrowings

(₹ Millions)

Particulars	As at March 31, 2021	As at March 31, 2020
Secured loans*		
Term Loan from Financial Institution	-	-
Unsecured loans		
From Related Party(Refer Note No. 48)	449.90	449.90
Total	449.90	449.90

*Secured by way of pari passu first charge on current assets, present and future immovable and movable fixed assets including land and building at Shirpur.

18. Non Current Liabilities - Other Financial Liabilities

(₹ Millions)

Particulars	As at March 31, 2021	As at March 31, 2020
Sundry Creditors for General Purchase & Expenses*	0.16	0.16
-Security Deposits#	15.20	15.20
Total	15.36	15.36

*for current portion refer Note 22 below

Security Deposits of ₹ 15.20 (15.20) millions in respect of amount received from various dealers,pending confirmation.

Notes forming part of the Financial Statements

19. Non - Current Liabilities - Provisions

(₹ Millions)

Particulars	As at March 31, 2021	As at March 31, 2020
Provision for employee benefits (unfunded)		
Gratuity	-	1.15
Leave benefits	-	0.43
Total	-	1.58

20. Current Liabilities - Borrowings

(₹ Millions)

Particulars	As at March 31, 2021	As at March 31, 2020
Loans from banks* - Secured	2,181.70	2,244.28
Term Loan from Financial Institution	650.00	727.36
Total	2,831.70	2,971.64

*Secured by way of pari passu first charge on current assets, present and future immovable and movable fixed assets including land and building at Shirpur. The aforesaid borrowings are at varying rate of interest and are repayable on demand.

21. Trade Payables

(₹ Millions)

Particulars	As at March 31, 2021	As at March 31, 2020
Dues of Micro, Small and Medium enterprises		-
Dues of creditors other than micro and small enterprises	148.50	151.98
Total	148.50	151.98

Terms and condition of the above Trade Payable.

Trade and other payables are non-interest bearing and are generally having credit terms of 0 to 180 days.

22. Other Current Financial Liabilities

(₹ Millions)

Particulars	As at March 31, 2021	As at March 31, 2020
Statutory Dues	1.01	0.58
Sundry Creditors for General Purchase & Expenses*	34.49	29.55
Advance from customers	0.91	0.91
Others	577.05	182.58
Total	613.46	213.62

* For non current portion refer Note 18 above.

Notes forming part of the Financial Statements

23. Current Provisions

(₹ Millions)

Particulars	As at March 31, 2021	As at March 31, 2020
Provision for employee benefits		
Contribution to Provident Fund	-	0.05
Contribution to ESIC	-	0.00
Gratuity	-	0.10
Leave benefits	0.12	0.21
Provision for CSR		
Total	0.12	0.36

24. Revenue From Operations

(₹ Millions)

Particulars	As at March 31, 2021	As at March 31, 2020
Sale of products		
Traded Goods	-	2,549.78
Local Sales	-	2,856.60
Net Sales	-	5,406.38
Total	-	5,406.38

25. Other Income

(₹ Millions)

Particulars	As at March 31, 2021	As at March 31, 2020
Dividend income	-	-
Balance written back	-	0.85
Other income	3.80	14.78
Total	3.80	15.63

Notes forming part of the Financial Statements

26. Cost of Material Consumed

(₹ Millions)

Particulars	For the year March 31, 2021	For the year March 31, 2020
Inventory at the beginning of the year	-	0.93
Add: Purchases	-	2,446.86
	-	2,447.79
Less: Inventory at the end of the year	-	-
Cost of raw material consumed	-	2,447.79
Other materials (Stores and Spares)/Inventory Revalued	5.85	0.36
Total	5.85	2,448.15

* Break up of Raw Materials consumed

(₹ Millions)

Particulars	For the year March 31, 2021	For the year March 31, 2020
Gold	-	2,447.79
Other materials (Stores and Spares)/Inventory Revalued	5.85	0.36
Total	5.85	2,448.15

27. Purchase of Trading Goods

(₹ Millions)

Particulars	For the year March 31, 2021	For the year March 31, 2020
Gold	-	2,518.58
Total	-	2,518.58

28. Changes in Inventories of Finished Goods, Work-in-progress and Stock-in-Trade

a. Inventory at the end of the year

(₹ Millions)

Particulars	For the year March 31, 2021	For the year March 31, 2020
Stock in Trade		
Gold	-	-
Silver	-	-
Work in Progress		
Gold	1.33	2.65
Silver	-	-
Finished Goods		
Gold	0.04	0.07
Silver	0.00	0.01
Total	1.37	2.73

Notes forming part of the Financial Statements

b. Inventory at the beginning of the year

(₹ Millions)		
Particulars	For the year March 31, 2021	For the year March 31, 2020
Stock in Trade		
Gold	-	-
Work in Progress		
Gold	2.66	74.80
Finished Goods	-	-
Gold	0.07	274.40
Silver	0.01	0.39
	-	-
Total	2.74	349.59
c. Net (a - b)	1.37	346.86

29. Employee Benefit Expenses

(₹ Millions)		
Particulars	As at March 31, 2021	As at March 31, 2020
Salaries & wages	7.88	17.97
Contribution to provident & other funds	0.14	1.06
Staff welfare expenses	-	0.09
Total	8.02	19.12

30. Finance Costs

(₹ Millions)		
Particulars	As at March 31, 2021	As at March 31, 2020
Interest expense (Net) Refer Note No. 42	395.26	292.67
Bank charges	0.41	40.58
Other financial charges	-	75.09
Total	395.67	408.34

31. Depreciation & Amortization Expense

(₹ Millions)		
Particulars	As at March 31, 2021	As at March 31, 2020
Depreciation on property, plant and equipment.	61.76	64.47
Total	61.76	64.47

Notes forming part of the Financial Statements

32. Other Expenses

(₹ Millions)

Particulars	As at March 31, 2021	As at March 31, 2020
Auditors' Remuneration	1.15	1.39
Power and fuel	-	2.34
Rent Rates & Taxes	0.10	0.59
Repairs & Maintenance	0.05	0.07
Insurance	0.74	0.75
Reserve for Doubtful Debts	2,065.02	1,061.19
Listing Fees	0.54	-
Security Charges	0.86	-
Miscellaneous expenses	48.68	24.77
Total	2,117.14	1,091.10

33. Income Taxes

(a) The major components of income tax for the year ended 31 March 2021 are as under:

(i) Income tax related to items recognized directly in the statement of profit and loss during the year

(₹ Millions)

Particulars	March 31, 2021	March 31, 2020
Current tax - current year	-	-
- adjustment for current tax of prior periods	-	-
Total	-	-
Deferred tax charge / (credit)	-	-
Total tax expense reported in the statement of profit and loss	-	-

(b) Tax Expense related to items recognized in other comprehensive income (OCI) during the year

(₹ Millions)

Particulars	March 31, 2021	March 31, 2020
Tax Expense charge / (credit) on remeasurement of defined benefit plan	-	-

(c) Reconciliation of tax expense and the accounting profit multiplied by tax rate

(₹ Millions)

Particulars	March 31, 2021	March 31, 2020
Accounting profit / (loss) before tax	(2,586.01)	(1,474.61)
Income tax	-	-
Statutory income tax @ of 15.6 % (2020: 15.6%) tax on Book profit	-	-
Tax effect of earlier years	-	-
Tax effect on exempt income	-	-
Tax effect on non-deductible expenses (including exceptional item)	-	-
Additional allowances for tax purposes	-	-
Impact of change in tax rate on deferred tax assets	-	-
Tax expense recognized in the statement of profit and loss	-	-

Notes forming part of the Financial Statements

Note : The company has brought forward losses to absorb the taxable income . Hence the tax on book profits is calculated as per the provisions of Sec 115JB of the Income Tax Act 1961. The Statutory tax rate is 15.6% i.e Minimum Alternative Tax rate in India. The Tax rate for deferred tax assets for the year ended 31 st March 2021 is 31.2% (2020: 31.2%). Deferred Tax assets and liabilities are offset where the company has a legally enforceable.

(d) Reconciliation of deferred tax assets/(liabilities) (net)

Particulars	(₹ Millions)	
	As at March 31, 2021	As at March 31, 2020
Opening balance	461.34	461.34
deferred tax (charge) / credit recognized in		
- Statement of profit and loss	-	-
- Other comprehensive income		
Total	461.34	461.34

34. CONTINGENT LIABILITIES AND COMMITMENTS

Contingent Liabilities

Particulars	(₹ Millions)	
	As at March 31, 2021	As at March 31, 2020
1 Disputed Direct Taxes *	0.62	0.62
2 Financial Guarantees and extension of non fund based guarantee provided to wholly owned subsidiary viz Shirpur Gold DMCC Corporate guarantee for loan	735.05	753.86
3 Extension of SBLC (credit facility)	1,000.00	1,000.00

The Export obligation under EPCG licenses issued in the year 2002, 2012 & 2014 is completed and the redemption of licenses is in process.

*Income tax demands mainly include appeals filed by the Company before various appellate authorities against the disallowance of expenses/claims and Penalty etc. The management is of the opinion that tax cases will be decided in its favour and hence no provision is considered at this stage.

35. COMMITMENTS

Particulars	(₹ Millions)	
	As at March 31, 2021	As at March 31, 2020
Bank Guarantees issued by banks & balance outstanding at year end [against the said bank guarantees ₹/Millions Nil (145.16) has been kept as margin money]	1,016.50	1,016.50

Notes forming part of the Financial Statements

36. DETAILS OF CONSUMPTION OF IMPORTED AND INDIGENOUS STOCKS

Raw Material Consumed

(₹ Millions)

Particulars	For the year March 31, 2021	For the year March 31, 2020
Imported	-	-
Indigenous	-	2,448.15
Total	-	2,448.15

37. INVENTORY AND TURNOVER

(₹ Millions)

Gold	Sales Value	Closing Inventory	Opening Inventory
Manufactured Goods	-	1.37	2.74
	(2,856.60)	(2.74)	(350.52)
Traded Goods	-	-	-
	(2,549.78)	(-)	(-)
Total	-	1.37	2.74
	(5,406.37)	2.74)	(350.52)

(₹ Millions)

Stores & Spares	Closing Inventory	Opening Inventory
Stores and Spares Consumed	5.85	11.69
	(11.69)	(11.92)

38. EARNINGS IN FOREIGN EXCHANGE

(₹ Millions)

Particulars	For the year March 31, 2021	For the year March 31, 2020
FOB Value of Export	-	-
Interest Income	2.16	2.10

39. MANAGERIAL REMUNERATION

Remuneration paid or provided in accordance with Section 197 of the Companies Act, 2013 to Manager is included in Employee benefit expense is as under:

(₹ Millions)

Particulars	For the year March 31, 2021	For the year March 31, 2020
Salary and allowances	-	1.21

Note : Salary and allowances include basic salary, personal allowance, house rent allowance, medical reimbursement and leave travel allowance & performance bonus but excluding leave encashment.

Notes forming part of the Financial Statements

40. PAYMENT TO AUDITORS

(₹ Millions)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Audit Fee	1.10	1.10
Other Services & reimbursement of expenses	0.05	0.09
Total	1.15	1.19

41. EARNINGS PER SHARE

(₹ Millions)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Profit(Loss) after tax available for appropriation to equity shareholders	(2,586.01)	(1,474.61)
Weighted average number of equity shares for basic and diluted EPS (in numbers)	29,137,202	29,137,202
Nominal Value of equity shares (in ₹)	10.00	10.00
Basic and Diluted Earnings per share (in ₹)	(88.75)	(50.61)

42. Interest expense is net of interest income of ₹/ Millions 5.51 (23.10).

43. SEGMENT REPORTING

The Company is in the business of refining, manufacturing and marketing of precious metal which is considered as the only reportable segment. The Company does not have any geographical segments. Hence, there are no separate reportable segments as per Ind AS 108 on "Operating Segments".

44. MICRO, SMALL AND MEDIUM ENTERPRISES

The Company has no dues to Micro, Small and Medium enterprises as at 31st March, 2021 on the basis of information provided by the parties and available on record. Further, there is no interest paid / payable to micro and small enterprises during the year.

45. FINANCIAL INSTRUMENTS

(a) Financial risk management objective and policies

The Company's principal financial liabilities comprise borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include investments, loans, trade and other receivables, and cash and bank balances.

The Company is exposed to market risk, credit risk and liquidity risk. The Board provides guidance for overall risk-management, as well as policies covering specific areas such as credit risk, liquidity risk and investment of excess liquidity.

(i) Marketrisk

Market risk is the risk that changes in market prices, such as foreign exchange rates and interest rates will affect the Company's income. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return.

Notes forming part of the Financial Statements

1 Interest rate risk

This refers to risk to Company's cash flow and profits on account of movement in market interest rates.

For the Company the interest risk arises mainly from interest bearing borrowings which are at floating interest rates. To mitigate interest rate risk, the Company closely monitors market interest and as appropriate makes use of optimized borrowing mix / composition etc.

(a) Interest rate risk exposure

(₹ Millions)		
Particulars	March 31, 2021	March 31, 2020
Variable rate borrowings	2,831.70	2,971.64
Fixed rate borrowings		
Total borrowings	2,831.70	2,971.64

(b) Interest rate sensitivity analysis

The following table illustrates the sensitivity of profit and equity to a reasonably possible change in interest rate of 50 basis points increase or decrease. The calculations are based on the variable rate borrowings outstanding at balance sheet date. All other parameters are held constant.

(₹ Millions)		
Impact on profit before tax	March 31, 2021	March 31, 2020
	Gain/(Loss)	
Interest rate - increase by 50 basis points	(14.16)	(14.86)
Interest rate - decrease by 50 basis points	14.16	14.86

2 Foreign currency risk

Currency risk is the risk that the fair value or future cash flows fluctuate because of changes in market prices. The Company is exposed to foreign exchange risk on their receivables and payables which are mainly held in the United State Dollar ("USD"). Consequently, the Company is exposed primarily to the risk that the exchange rate of the Indian Rupees ("INR") relative to the USD, may change in a manner that has an effect on the reported values of the Company's assets and liabilities that are denominated in these foreign currencies.

The following table sets forth information relating to unhedged foreign currency exposure at the end of the reporting period:

(₹ Millions)				
Currencies	Assets as at		Liabilities as at	
	31 March, 2021	31 March, 2020	31 March, 2021	31 March, 2020
USD	-	-	137.80	141.33

Sensitivity to foreign currency risk

The following table demonstrates the sensitivity in the, to a 10% increase and decrease in the Re against the relevant foreign Currency with all other variables held constant. The below impact on the Company's profit before tax is based on changes in the fair value of unhedged foreign currency monetary assets and liabilities at balance sheet date:

Notes forming part of the Financial Statements

(₹ Millions)

Currencies	Sensitivity			
	31 March, 2021		31 March, 2020	
	Depreciate by 10% Gain/(Loss)	Appreciate by 10%	Depreciate by 10% Gain/(Loss)	Appreciate by 10%
USD	(13.78)	13.78	(14.13)	14.13

(ii) Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counter party to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers, loan and deposits given, investments and balances at bank. The Company measures the expected credit loss of trade receivables based on financial conditions/market practices, credit track record in the market, analysis of historical bad debts and past dealings for extension of credit to customers. Individual credit limits are set accordingly. The Company monitors the payment track record of the customers and ageing of receivables. Outstanding customer receivables are regularly monitored. The Company considers the concentration of risk with respect to trade receivables as low, as its customers are located in several jurisdictions and industries and operate in largely independent markets. The Company has also taken advances and security deposits from some of its customers, which mitigate the credit risk to an extent.

Ageing analysis of trade receivables has been considered from the date the invoice falls due.

(₹ Millions)

Particulars	March 31, 2021	March 31, 2020
Trade receivables (unsecured)		
Up to six months	-	685.18
More than six months	915.25	2,296.47
Total (a)	915.25	2,981.65

Credit risk on cash and cash equivalents is limited as the Company generally invests in deposits with banks and financial institutions with high credit ratings assigned by credit rating agencies. Investments primarily include investment in redeemable preference shares, optionally convertible debentures, compulsorily convertible debentures and other debt instruments. Security deposits against leasing of premises are refundable upon closure of the lease and credit risk associated with such deposits is relatively low.

(iii) Liquidity risk

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations on time or at a reasonable price. For the Company, liquidity risk arises from obligations on account of financial liabilities—borrowings, trade payables and other financial liabilities. The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation. The Company manages liquidity risk by maintaining adequate reserves, by continuously monitoring forecast and actual cashflows and matching the maturity profiles of the financial assets and liabilities. It maintains adequate sources of financing including loans, debt and overdraft from banks. It also enjoys strong access to domestic capital markets across various debt instruments.

Exposure to liquidity risk

The table below provides details regarding the contractual maturities of financial liabilities (including interest accrued) at the reporting date. The contractual cashflow amounts are gross and undiscounted.

Notes forming part of the Financial Statements

(₹ Millions)

As at 31 March 2021

	Less than 1 year	Between 1 to 5 years	Beyond 5 years
Financial liabilities			
Long term borrowings	-	-	449.90
Short term borrowings	-	2,831.70	-
Trade payables	-	148.50	-
Other current financial liabilities	415.12	198.34	-
Other non-current financial liabilities	-	-	15.36
Total	415.12	3,178.54	465.26

(₹ Millions)

* As at 31 March 2020

	Less than 1 year	Between 1 to 5 years	Beyond 5 years
Financial liabilities			
Long term borrowings	-	-	449.90
Short term borrowings	2,971.64	-	-
Trade payables	12.62	139.32	-
Other current financial liabilities	213.62	-	-
Other non-current financial liabilities	-	-	15.36
Total	3,197.88	139.32	465.26

A. Capital Management

The Company manages its capital to ensure that it will be able to continue as a going concern while maximizing the return to the stakeholders through the optimization of the debt and equity balance.

Fair Value measurements

(i) Financial instruments by category

Financial assets (other than investments in subsidiaries and associates which are carried at cost)

Notes forming part of the Financial Statements

(₹ Millions)

	31 March, 2021		31 March, 2020	
	Carrying amount	Fair value	Carrying amount	Fair value
i) Measured at amortized cost				
Non-current assets				
Investments	-	-	-	-
Other financial assets	2.63	2.63	2.64	2.64
Current assets				
Investments				
Trade receivables	915.25	915.25	2,981.65	2,981.65
Loans	-	-	-	-
Cash and cash equivalents and other bank balances	16.58	16.58	150.75	150.75
Other financial assets	1.65	1.65	1.65	1.65
Total financial assets measured at amortized cost	936.11	936.11	3,136.69	3,136.19

ii) **Measured at fair value through other comprehensive income: Nil**

46. EMPLOYEE BENEFITS

As per Ind AS 19 "Employee Benefits", the disclosures are as under :

A. Defined Benefit Plans

The present value of gratuity obligation is determined based on actuarial valuation using the Projected Unit Credit Method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation. The obligation for leave benefits (non funded) is also recognized using the projected unit credit method

I Expenses recognized in statement of Profit & Loss Account

(₹ Millions)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Current Service Cost	-	0.50
Interest on Defined Benefit Obligation	-	0.16
Net Actuarial Losses / (Gains) Recognized in Year	-	-
Total, included in "Employees Benefit Expense"	-	0.66

II Other Comprehensive Income (OCI)

(₹ Millions)

Particulars	For the year March 31, 2021	For the year March 31, 2020
Actuarial (Gain)/Loss recognized for the period	-	1.09
Asset limit effect	-	-
Return on Plan Assets excluding net interest	-	-
Unrecognized Actuarial (Gain)/Loss for previous period	-	-
Total, Actuarial (Gain)/Loss recognized in (OCI)	-	1.09

Notes forming part of the Financial Statements

III Net Asset / Liability recognized in the Balance Sheet

(₹ Millions)

Particulars	As at March 31, 2021	As at March 31, 2020
Present Value of Unfunded Obligations	-	4.70
Net Liability	-	4.70
Liability	-	4.70
Net Liability accounted in Books	-	4.70

IV Reconciliation of Net Asset / Liability recognized in the Balance Sheet

(₹ Millions)

Particulars	As at March 31, 2021	As at March 31, 2020
Net Asset / (Liability) at the beginning of year	-	4.70
Expenses as per I above	-	0.66
Benefits Paid	-	(5.20)
Other Comprehensive Income (OCI)	-	1.09
Closing Defined Benefit Obligation	-	1.25

V Sensitivity Analysis

(₹ Millions)

Particulars	Dr. Discount Rate PVO DR+1%	Dr. Discount Rate PVO DR -1%	ER-Salary Escalation Rate PVO DR+1%	ER-Salary Escalation Rate PVO DR-1%
PVO	-	-	-	-

VI Actuarial assumptions at the valuation date

Particulars	As at March 31, 2021	As at March 31, 2020
Discount Rate (p.a.)	-	6.55%
Salary Escalation Rate (p.a.)	-	7.00%

VII Experience Adjustments

(₹ Millions)

Particulars	2021	2020	2019	2018	2017
Defined Benefit Obligation	-	1.25	4.70	4.14	4.75
Surplus / (Deficit)	-	(1.25)	(4.70)	(4.14)	(4.75)
Experience Adjustments on Plan Liabilities	-	-	-	-	-

*There were no employees on the Company's payroll as on March 31, 2021.

Notes forming part of the Financial Statements

B. Defined Contribution Plan :

"Contribution to provident and other funds" is recognized as an expenses in Note 29 "Employee benefits expenses" of the Statement of Profit & Loss Account.

47. Disclosures as required by Regulations 34(3) of the Listing Agreement

A. Loans and advances given to Subsidiary

(₹ Millions)		
Balances	As at 31 March, 2021	As at 31 March, 2020
Shirpur Gold DMCC	58.90	56.73
Maximum amount outstanding during the year		
	As at 31 March, 2021	As at 31 March, 2020
Shirpur Gold DMCC	58.90	56.73

B. None of the loans have been utilised to make investments in the shares of the company.

C. C. Corporate Guaranty given by the company for Loan ₹ 735.05 millions (₹ 753.86) and extension of SBLC credit facility issued in favour of its subsidiary, Zee Gold DMCC – ₹ 1000.00 millions (₹ 1000 .00 millions).

48. RELATED PARTY DISCLOSURES

Wholly Owned Subsidiaries

Shirpur Gold DMCC – Dubai (Formerly Zee Gold DMCC)

Step down Subsidiary

Precious Metals Mining and Refining Limited - Papua New Guinea
Metallic Exploration and Mining- Bamako-Mali

Other related parties

Diligent Media Corporation Limited
Jay Properties Pvt.Ltd.
Essel Corporate LLP
Essel Infraprojects Limited

Directors / Key Management Personnel

Mr. Amit Goenka , Anish Goel, Manoj Agarwal, Kavita Kapahi, Shankar Bhandari, Prakash Pandey Shri Subhash Pareek (Manager)

Notes forming part of the Financial Statements

Related party Transactions during the year

(₹ Millions)

(A) Transactions

	As at 31 March 2021	As at 31 March 2020
Shirpur Gold DMCC-Dubai		
Loans & Advance given	--	45.16
Loans & Advance received back	--	19.07
Reimbursement of Expenses given	--	20.98
Interest receivable on Loan given	2.16	2.10
Given/Extension of Corporate Guarantee	735.05	753.86
Extension of SBLC Credit Facility	1000.00	1000.00
Key Managerial personnel (KMP)		
Remuneration Paid		
Mr. SubhashPareek – Manager	--	1.21
Siting Fees		
Mr. Manoj Agarwal	0.08	0.16
Ms. Kavita Kapahi	0.19	0.20
Other Related Parties		
Diligent Media Corporation Limited – Sale of goods	--	3.92
Essel Corporate LLP - Loans & Advances taken	0.23	--
Essel Infraprojects Ltd. – Loans & Advances taken	0.54	--
(B) Balances at the end of the year		
Shirpur Gold DMCC-Dubai		
Share Capital Investment	337.28	337.28
Loans & Advances given	58.90	56.73
Corporate Guarantee Given/Extended	735.05	753.86
SBLC Credit Facility Given/Extended	1000.00	1000.00
Jay Properties Pvt.Ltd.		
Unsecured Loan taken	449.90	449.90
Deposits given	1.33	1.33
Essel Corporate LLP – Loans & advances taken	0.23	--
Essel Infraprojects Ltd. – Loans & advances taken	0.54	--
Manoj Agarwal – Sitting Fees Payable	0.08	--
Kavita Kapahi - Sitting Fees Payable	0.19	--

Notes forming part of the Financial Statements

49. Robbery of Unrefined Gold in transit

As reported in the preceding year's Annual Report, on 24th April 2015, 60 Kgs of Gold, during transit to factory at Shirpur, was robbed near Nashik, Maharashtra, of which the seizure made was 13.6939 kgs including 2 kgs from site of robbery and other assets of the robbers, were in Police Custody. On 19th April 2017, the company has taken possession of the said seized 13.6939 Kgs of Gold pursuant to the Order of the Hon'ble Session Court. The said seized gold was accounted in the preceding year as part of inventories and is valued as per Ind AS 2. The Claim for balance gold of 46.3062 Kgs valued at ₹124.17 millions including expenses of ₹1.65 millions is pending for settlement with the Insurance company and is accounted as "Claims Receivables" under Other Current Assets. On Finalization of Claim by the insurance company, the difference, if any, between the amount claimed and the actual claim received, which the management does not expect to be material will be charged to Statement of Profit & Loss. The Insurance claim in respect of robbery is pending final negotiation and settlement due to changes in the top decision making management of the insurance company.

50. Balances appearing in the financial statements are pending reconciliation and confirmation.

51. Corporate Social Responsibility

As per Section 135 of the Companies Act, 2013, a CSR Committee has been formed by the Company. The company is required to spend ₹ Nil Millions (1.15 Millions) for the year against which Rs Millions NIL (NIL) has been spent on activities specified in Schedule VII of the Companies Act, 2013. The accumulated balance of such unspent amount is ₹ 10.80 Million (₹10.80 Million). CSR has been charged to the statement of profit and loss under Miscellaneous expenses to the extent of Rs Nil Millions (Rs Nil Millions) for the year ended 31st March 2021 (31st March 2020. Nil).

52. Dividend paid and proposed

No dividend on equity shares is paid or proposed by Board of Directors for the year ended 31st March 2021 due to losses during the year.

53. Non applicability of IND AS 32 or 109

In view of no terms and conditions as to repayment since the date of receipt of such loan, no restatement under Ind AS 32 or 109 has been considered for Unsecured Interest free Loan

of ₹449.90 millions received from a body corporate under Essel Group and from other deposits of ₹15.20 millions.

54. Collateral / security pledged

The carrying amount of assets pledged/mortgaged as security for current and non-current borrowings of the Company are as under:

Particulars	As at 31 March 2021	As at 31 March 2020
Property Plant & Equipment	1,384.69	1,446.45
Other current and non-current financial assets	962.21	3,162.79
Other Current and non-current assets	242.46	311.55
Total assets pledged	2,589.36	4920.78

55. Disclosure as required by Schedule V(A)(2) of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 During the year no loans and advances were given to firm/ company etc in which directors are interest except to subsidiary company of ₹Nil (₹45.16 Million)

56. As reported in preceding year's Annual Report, Fixed Deposit of ₹145.97 million including interest thereon, kept as margin against Bank Guarantees of Axis Bank Ltd., has been adjusted against outstanding dues of ₹382.7 Million due to defaults in repayment and non compliance of terms and condition thereof, in absence of information during reporting period. The same has been disclosed in bank balances other than Cash and Cash Equivalents.

57. Continuing reported from previous year's and during the year, three of the lender banks and a financial institution ('the lenders') have outstanding dues, amounting to ₹3,408.74 millions including amount of bank guarantees invoked, interest and penal interest of ₹ 5,77.04 millions as per the records of the Company, classified as Non-performing assets. The said dues are after adjustment of fixed deposits of ₹145.96 millions, including interest thereon, kept as margin against bank guarantees with Axis Bank Ltd., due to defaults in the repayment and non-compliance of the terms and conditions. The Company has considered differential interest of ₹64.7 millions as debited by the leading bank, as contingent liability, since not accepted.

Notes forming part of the Financial Statements

Of the said lenders, two of the bankers and a financial institution has recalled the loan outstanding of ₹2,863.06 millions including interest at the year end. Of the said bankers, one of the bankers has issued notice dated 02.09.2020 under Section 13(2) of SRAFAESI 2002 calling upon the Company to repay within 60 days of the said notice, in full ₹928.02 millions (including interest and penal interest till 01.09.2020) failing which will take possession of the secured assets, wherever lying.

An independent auditor is appointed by the lenders to carry out audit of the books of accounts of the Company, as informed has submitted its report to the Bank.

The Management is yet to receive any response from the said bank in respect of the said report. Further as reported in the preceding report that the scheme of restructuring the said overdues and/or negotiation with the lenders continues to be under way for an amicable settlement.

The Management had submitted its scheme of restructuring the said overdues and negotiation with the lenders is under way for amicable settlement.

58. No provision for deferred tax is made in view of the temporary suspension of the manufacturing operations and slowdown in the trading activities, resulting in no immediate probability of any future profits to absorb such deferred tax.
59. Gain/(Loss) on foreign exchange for the year ended 31st March 2021 ₹3.52 millions and for year ended 31st March 2020 ₹(11.62) millions respectively.
60. During FY 2015-16, an Excise Duty paid of ₹9.50 millions under protest, is to be received and the Company is following with Excise authorities for refund.
61. Provision for doubtful debts is made in respect of receivables from three of the bodies corporate, amounting to ₹2,065.02 millions during the year and aggregate of such provisions so far made is ₹3,126.21 millions (out of the receivables of ₹4,040.04 millions from such bodies corporate) included in other expenses in the financial statements.

Of the said provision includes ₹2,418.56 millions against gross receivables of ₹2,418.56 millions from a body corporate, against whom petition has been filed by a third party and an

order for commencement of a Corporate Insolvency Resolution Process has been issued by National Company Law Tribunal, New Delhi. The Company has initiated effective steps against other debtors and is hopeful of recovering the same.

62. Trade receivables of ₹9,15.25 millions is after making provisions for doubtful debt of ₹3126.21 millions. The Management is assured of recoveries of dues from these parties.
63. The management of the company has assessed that there is no material impact on its operations considering the business segment (Precious Metals) in which company operates, due to outbreak of Coronavirus (COVID-19) leading to consequential lock down across the country during the year and further restrictions imposed by many State Governments subsequent to year-end due to spread of Covid-19 second wave. Hence, the same do not require any adjustment in financial statement as the company was not operating because of lockdowns and other factors as stated herein.

Due to the said pandemic COVID-19 discussions with lenders has further delayed for implementation of any revival plans of operations of the Company.

However, given the uncertainties in the economic environment, management's impact assessment is subject to significant estimation, uncertainties, and accordingly, the actual figures in future may be different from those estimated as at the date of approval of these financial statements. Considering that it is a dynamic and evolving situation, the management will continue to monitor any material changes to the future economic conditions and consequential impact on its business/operations.

64. Assessment of Going Concern as a basis of accounting

The Company has incurred loss during the current due to temporary cessation of manufacturing and trading turnover. Further, it had been served with Notices by the lender banks/institution, for repayment of the loans taken with interest and even have served notice for constructive handing over of the factory premises. These may create a doubt regarding the Company's ability to continue as a going concern. However, the financial statements have

been prepared on a going concern basis considering the expectation of the Management that they will amicably settle with the lender banks/institutions, as negotiations are on. Once settled, the manufacturing and trading operations may re-commence, with the financial support from the promoter company etc and/or the management's plan to generate cash flows through operations which would enable the Company to meet its financial obligations as and when they fall due.

65. Prior Year Comparatives

Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classifications / disclosures.

66. Figures in brackets are for previous year unless otherwise stated.

In terms of our report of even date attached

For **Parikh & Parikh**
Chartered Accountants
FR.No.: 107526W

For and on behalf of the Board of Directors

CA Milan Parikh
Proprietor
Membership No. 038557
Place: Mumbai
Date: 30th June 2021

Shankar Bhandari - Director
Kavita Kapahi - Director
Shyamal Padhiar - Company Secretary

Independent Auditor's Report on Consolidated Financial Statements

**The Members,
Shirpur Gold Refinery Limited**

Report on the audit of Consolidated financial statements

1. Opinion

We have audited the accompanying consolidated financial statements of Shirpur Gold Refinery Limited ("hereinafter referred as "the Holding Company" or "the Parent Company") and its subsidiary (the Parent and its subsidiary together referred to as "the Group"), comprising of the Consolidated Balance Sheet as at 31st March 2021, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Cash Flows, the Consolidated Statement of Changes in Equity for the year then ended and a summary of significant accounting policies and other explanatory information (hereinafter referred as "the Consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of the other auditors on separate financial statements of the subsidiary, referred to in the Other Matters section below, the aforesaid Consolidated financial statements give the information required by the Companies Act, 2013 ("the Act"), in the manner so required and give a true and fair view in conformity with the 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 Consolidated state of affairs of the Group as at 31st March 2021, its consolidated Loss and consolidated total comprehensive income, consolidated cash flows and their consolidated changes in equity for the year ended on that date.

2. Basis for Opinion

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the consolidated financial statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the consolidated financial statements

under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports, referred to in the sub-paragraphs (a) and (b) of the Other Matters section below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

3. Emphasis of matters

Reference is invited to the following Notes to the Statement:

- (i) We did not audit the financial statements of the subsidiary whose financial statements reflect total assets of ₹3,301 Millions as at 31st March 2021, total revenues of ₹43810.47 Millions and net cash in flows amounting to ₹216.98 Millions for the year ended on that date, as considered in the consolidated financial statements, in respect of the subsidiary, whose financial statements have not been audited by us. These financial statements have been audited by other auditors whose reports have been furnished to us by the management and our opinion on the consolidated financial statements, in so far as it relates to the amount and disclosures included in respect of the subsidiary, and our reports in terms of sub section (3) of Section 143 of the Act, is based solely on the reports of the other auditors.

Our opinion on consolidated financial statements is not modified in respect of the above matter with respect to our reliance on the work done and the report of the other auditor.

- (ii) Note No. 47 related to pending claims of the Parent Company since 24 April 2015 from Insurance Company towards recovery of ₹124.17 million including expenses of ₹1.65 million against loss of gold in the robbery which occurred on even date.
- (iii) Note No. 55 relating to NPA of cash credit and loans from lenders : As reported in preceding year's report, three of the lender banks and a financial institution ('the lenders') have outstanding dues, as per the claims from the lenders, classified as Non-performing assets, amounting to ₹3,408.74 Millions including amount of bank guarantees invoked, interest and penal interest of ₹577.04 Million due to defaults in the repayment and non-compliance of the terms and conditions.

As reported in the preceding year, of the said lenders, one of the bankers and a financial institution has recalled the loan outstanding of ₹2863.06 million Lakhs including interest at the year end. The banker has even issued notice for constructive possession of the factory, on as is where is basis, at Shirpur, Dhule District, Maharashtra. However, no further action has been by the said bank in this connection.

An independent auditor was appointed by the lenders to carry out audit of the books of accounts of the Parent Company. As informed the auditor has completed his assignment as mandated, and a report thereon has been submitted to the lenders.

The Management of the Parent Company had informed that it had submitted and is in continuous discussions with the lenders for its scheme of restructuring the said overdues and negotiation with the lenders is under way for amicable settlement.

However, we are unable to comment thereon in absence of sufficient appropriate audit evidence to the above submission.

- (iv) Note No.56: No provision for deferred tax is made in view of the temporary suspension of the manufacturing operations and slowdown in the trading activities, resulting in no immediate probability of any future profits to absorb such deferred tax.
- (v) Note No. 57 relating to the Provision for doubtful debts made in respect of receivables from three of the bodies corporate, amounting to ₹2,065.02 million during the year and aggregate of such provisions so far made is ₹3,126.21 million (out of the aggregate receivables of ₹4,040.04 million from such bodies corporate) included in other expenses in the financial statements.

Further, of the said provision includes gross receivables ₹2,418.56 million from a body corporate, against whom petition has been filed by a third party and an order for commencement of a Corporate Insolvency Resolution Process has been issued by National Company Law Tribunal, New Delhi.

- (vi) Note No.58: Trade receivables net ₹3163.23 million is after making provisions for doubtful debt of ₹3126.21 Millions till year end. The Management has informed that it is assured of

recoveries of dues from these parties, hence provisions have been made.

However, we are unable to comment on the same as there is no sufficient appropriate audit evidence produced before us to show the Management's contentions of such recovery.

- (vii) Note No. 60: The Management of the Parent company has assessed that there is no material impact due to countrywide lockdown on account of COVID-19 pandemic and considering the business segment (Precious Metals) in which Parent company operates, there was no material impact which require any adjustment in financial statement as the Parent Company did temporarily stop manufacturing and trading operations due to paucity of funds, the notice from lenders for possession of the factory premises, and various legal and regulatory actions against the Parent company.

- (viii) Note No. 61 relating to Going Concern, in view of notices served by the lending bank for constructive possession of the Parent Company's factory premises, temporary closer of production. However, the financial statements have been prepared on a going concern basis in view of the financial support from the promoter companies and the Group management's plan to generate cash flows through future operations, after expected settlement of the claims of the lender banks/financial institutions as detailed herein above, which would enable the Group to meet its financial obligations as and when they fall due. The management's assessment is largely dependent on the support from its Promoter Companies and other matters referred to herein.

However, we are unable to comment on the same as there is no sufficient appropriate audit evidence produced before us to show the Management's contentions on the Going Concern basis of preparation of financial statements.

Our report is not modified in respect of this matter.

4. Key Audit Matters

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

We have determined the matters described below to be the key audit matters to be communicated in our report:

Key audit matter	Amounts recoverable-claims, receivables, loans & advances given, provision for expected credit losses and related balances
Criteria for disclosure as key Audit matter	Assessed the credit period by the Company vis-à-vis customers, insurance claims status and loans & advances given and management's assessment of realisability of such dues;
Present status	Audit approach
<p>1. Refer Note No. 45(a)(ii) for credit risk disclosures.</p> <p>Trade receivables and other amounts recoverable comprise a significant portion of the current financial assets of the Group. As at 31 March 2021 trade receivables (Refer Note no.9) aggregate to ₹3163.23 millions and other amounts recoverable (Refer Note no.13) aggregate to ₹248.41 millions.</p> <p>In accordance with Ind AS 109, the Group applies expected credit loss (ECL) model for measurement and recognition of impairment loss for financial assets. The Group has analysed trade receivables considering ageing etc., and calculated estimated credit loss, if any, on the basis of ageing.</p> <p>Other amount recoverable of ₹248.41 millions include amongst others ₹124.17 million for insurance claim lodged with the insurance company (Refer Note no.47) pending since April 2015 for settlement.</p> <p>On the basis of such workings and negotiations with the insurance company, the Group do not foresee any ECL for provisions to be made for doubtful or bad debts. Estimation of provisions and assessment of recoverability of amounts involves significant degree of judgement and evaluation basis for ongoing communications with the respective parties and is therefore considered as a key audit matter.</p>	<p>Our audit procedures to address this key audit matter included, but were not limited to the following:</p> <ol style="list-style-type: none"> We discussed with the management about the conditions leading to, and their assessment of recoverability of dues from the parties. We referred to the aging of trade and other receivables and discussed the key balances to establish the management's assessment of recoverability of such dues. We analysed the methodology used by the management and considered the credit and payment history of specific parties to determine the trend used for arriving at the expected credit loss, if any. We referred to the terms and conditions, wherever available, stipulated in the settlement arrangement with respect to amounts recoverable from vendors. We have assessed the adequacy of disclosures made by the management in the financial statements to reflect the advances, claims, trade and other receivables and related balances, (assets) pending reconciliation and confirmations from parties concerned. The probability of recovery of these loans and advances, both trade and others and receivables and that there will not be default, requires management judgment, to ensure discloser of most appropriate values of assets. In one of the debtor's case having outstanding receivables of ₹24,18.56 million, one of its creditors had filed insolvency petition before NCLT, Delhi pending hearing and disposal. The Parent Company has lodged its claim of ₹24,18.56 million before NCLT. However, the Parent Company has made provision of ₹31,26.21 million including ₹24,18.56 million for the said debtor

Key audit matter	Going Concern Assumption by Management
Criteria for disclosure as key Audit matter	Assumptions based on Management's opinion on Going Concern basis for preparation of Consolidated Financial Statements
Present status	Audit approach
<p>2. Assessment of Going Concern as a basis of accounting:</p> <p>(Refer note 61 to the Consolidated financial statements)</p> <p>The Group has incurred loss during the current due to temporary cessation of manufacturing and trading turnover. Further, it had been served with Notices by the lender banks/institution, for repayment of the loans taken with interest and even have served notice for constructive handing over of the factory premises. These may create a doubt regarding the Group's ability to continue as a going concern. However, the financial statements have been prepared on a going concern basis considering the expectation of the Management that they are negotiating for an amicable settlement with the lender banks/institutions, as negotiations are on. Once settled, the manufacturing and trading operations may re-commence, with the financial support from the promoter company etc., and/ or the management's plan to generate cash flows through operations which would enable the Group to meet its financial obligations as and when they fall due. We considered this to be a key audit matter because management's assessment is largely dependent on the support letter obtained from its Promoter Company.</p>	<p>Our procedures included the following:</p> <ul style="list-style-type: none"> • Obtained the management assessment of appropriateness of Going Concern basis of accounting. • Discussed with the management on the on-going proceedings in relation to various notices received from the lenders banks/financial institutions, and the way forward to settlement with them. • Discussed with the management future business and their plans to ensure that the Group is able to meet its financial obligations in the foreseeable future. • Read the minutes of board of directors meeting for discussion on future business plans and on liquidating certain assets to ensure availability of liquid funds. • Verified based on discussions in minutes the support from its Promoter indicating that Promoter and group companies will take necessary actions to organize for any shortfall in liquidity in Group that may arise to meet its financial obligations and timely repayment of debt during the period of 12 months from the balance sheet date. <p>Based on the above procedures, read with Note no. 61 to the financial statements we noted the management assessment of going concern basis of accounting is followed.</p>

4. Information other than Consolidated financial statements and Auditor's Report thereon

The Group's Board of Directors is responsible for the other information. The other information comprises of information included in the Management Discussions and Analysis, Directors' Report including Annexures to the Directors' Report, Corporate Governance and Shareholders' Information, but does not include the consolidated financial statements and our auditor's report thereon.

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

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information, compare with the financial statements of the subsidiary audited by the other auditors, to the extent it relates to these entities and, in doing so, place reliance on the work of the other auditors and consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. Other information so far as it relates to the subsidiary, is traced from their financial statements audited by the other auditors.

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.

5. Management's Responsibility for the Consolidated financial Statements

The Group's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these consolidated financial statements that give a true and fair view of the consolidated state of affairs (financial position), consolidated profit or loss (financial performance including total comprehensive income), consolidated changes in equity and consolidated cash flows of the Group in accordance with accounting principles generally accepted in India, including the Ind-AS specified under Section 133 of the Act. The respective Board of Directors of the company included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group 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 consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Group, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the group are responsible for assessing the ability of the Group 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 or cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are also responsible for overseeing the financial reporting process of the Group.

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

Our objectives are to obtain reasonable assurance about

whether the Consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an 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 consolidated financial statements.

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

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

or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the Consolidated financial statements, including the disclosures, and whether the Consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities or business activities included in the consolidated financial statements of which we are independent auditors. For the other entities or business activities included in the consolidated financial statements, which have been audited by the other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

Materiality is the magnitude of misstatements in the consolidated financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the consolidated 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 consolidated financial statements.

We communicate with those charged with governance of the Group and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

From the matters communicated with those charged with governance, we determine those matters that were of most

significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our 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.

7. Other Matters

- (a) We did not audit the financial statements of a subsidiary whose financial statements as considered in consolidated financial statement reflect total assets of ₹2,785 millions as at 31 March 2021, total revenues of ₹43,810.47 millions and net cash inflows amounting to 216.98 millions for the year ended on that date. The consolidated financial statements also include the Group's share of net profit of ₹129.11 millions for the year ended 31 March 2021, as considered in the consolidated financial statements, in respect of a subsidiary, whose financial statements have not been audited by us. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of the subsidiary, and our report in terms of subsection(3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiary is based solely on the reports of the other auditors.
- (b) Our opinion on the consolidated financial statements above and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial information certified by the Management.

8. Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit and on the consideration of the reports of the other auditors on the separate financial statements and the financial information of the subsidiary referred to in the Other Matters section above, we report to the extent applicable 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 of the aforesaid consolidated financial statements, except that

due to lockdown and social distancing guidelines for containment of spread of second wave of Covid-19, certain evidences, documents, registers, records, forms etc., could not be verified physically by us, as the same were maintained by the Group at their corporate and/or registered office. While all possible steps were taken to verify records made available by the Group after the year end through electronic medium and requisite confirmations were taken from the Group, wherever required, the audit was done subject to limitation of availability and physical verification of certain documents.

- b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept by the Group so far as it appears from our examination of those books, returns and the reports of the other auditors;
- c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including Other comprehensive income, the Consolidated Statement of changes in Equity dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements;
- d) In our opinion, the aforesaid consolidated financial statements comply with the Indian Accounting Standard specified under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended;
- e) On the basis of the written representations received from the directors of the Group as on 31st March 2021 taken on record by the Board of Directors of the Company, none of the directors of the Holding Company is disqualified as on 31st March 2021 from being appointed as a director in terms of Section 164 (2) of the Act.
- f) 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 Holding Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

- g) With respect to the adequacy of the internal financial controls over financial reporting and the operating effectiveness of such controls, refer to our separate report in "Annexure A". Our report expresses an unmodified opinion on the operating effectiveness of internal financial controls over financial reporting of those companies
2. 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 Group does not have any pending litigations which would impact its financial position except as otherwise stated in Note no.1 (xviii) and Note 33 of Notes to consolidated financial statements hereto;
 - ii. The Group did not have any material foreseeable losses on long term contracts including derivative contracts;
 - iii. There has been no amount required to be transferred to the Investor Education and Protection Fund, since the same is not applicable to the Group.

For Parikh & Parikh
Chartered Accountants
Firm Regn No.: 107526W

CA Milan G Parikh
Proprietor
Mem. No.: 038557
ICAI UDIN: 21038557AAAAHB2455
Mumbai, 30 June 2021

Annexure 'A' to Independent Auditor's Report on Consolidated Financial Statements - 31st March, 2021

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

In conjunction with our audit of the consolidated financial statements of Shirpur Gold Refinery Limited ("the Holding Company") as of and for the year ended 31st March, 2021, we have audited the internal financial controls over financial reporting of the Holding Company as of that date.

1. Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Holding Company is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Holding 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.

2. Auditor's Responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Holding Company 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") issued by the Institute of Chartered Accountants of India and the Standards on Auditing, prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. 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 operational 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 consolidated financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and audit evidence obtained by other auditor of the subsidiary company, in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the company's Holding company, as stated above, internal financial controls system with reference to consolidated financial statements.

3. Meaning of Internal Financial Controls with reference to Consolidated Financial Statements

A company's internal financial control with reference to consolidated financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of consolidated financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to consolidated financial statements includes those policies and procedures that -

- (1) pertains to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of consolidated financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and
- (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or

disposition of the company's assets that could have a material effect on the consolidated financial statements.

4. Inherent limitations of internal financial controls with reference to consolidated financial statements

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

5. Opinion

In our opinion, the Holding Company, has, maintained in all material respects, an adequate internal financial controls with reference to consolidated financial statements and such internal financial controls with reference to consolidated financial statements were checked on test basis, operating

effectively as at 31st March, 2021, based on the internal control with reference to consolidated financial statements criteria established by the respective companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

For Parikh & Parikh

Chartered Accountants
Firm Regn No.: 107526W

CA Milan G Parikh

Proprietor
Mem. No.: 038557
ICAI UDIN: 21038557AAAAHB2455

Mumbai, 30 June 2021

Consolidated Balance Sheet as at 31st March, 2021

(₹ in Millions)

Particulars	Notes	As at March 31, 2021	As at 31 March, 2020
ASSETS			
Non-Current Assets			
Property, Plant & Equipments	2	1,384.85	1,448.77
Intangible Assets	2	508.43	522.95
Financial Assets			
(i) Investments	3	0.21	0.21
(ii) Others Financial Assets	4	2.63	2.64
Deferred Tax Assets (net)	5	461.34	461.34
Income Tax Assets (Net)	6	26.48	28.28
Other Non-Current Assets	7	127.91	106.29
Total Non -Current Assets		2,511.85	2,570.48
Current Assets			
Inventories	8	7.22	14.43
Financial Assets			
(i) Trade Receivables	9	3,163.23	5,808.50
(ii) Cash and Cash Equivalents	10	240.84	13.20
(iii) Bank Balances other than (ii) above	11	0.13	145.16
(iv) Other Financial Assets	12	1.65	1.65
Other Current Assets	13	248.41	244.20
Total Current Assets		3,661.48	6,227.14
TOTAL ASSETS		6,173.33	8,797.63
EQUITY AND LIABILITIES			
Equity			
Equity Share Capital	14	291.37	291.37
Other Equity	15	(517.16)	1,962.56
Total Equity attributable to Shareholders		(225.79)	2,253.93
Non Controlling Interest		0.04	0.04
Total Equity		(225.75)	2,253.97
Liabilities			
Non-Current Liabilities			
Financial Liabilities			
(i) Borrowings	16	449.90	449.90
(ii) Others	17	15.36	15.36
Provisions	18	0.97	2.45
Total Non Current Liabilities		466.23	467.71
Current Liabilities			
Financial Liabilities			
(i) Borrowings	19	4,653.58	4,776.72
(ii) Trade Payables	20		
a). Total Outstanding dues of micro enterprises & Small Enterprises		659.61	1,060.39
b). Total Outstanding dues of creditors other than micro enterprises & Small Enterprises		619.54	238.48
(iii) Other Financial Liabilities	21		
Provisions	22	0.12	0.36
Total Current Liabilities		5,932.85	6,075.95
Total Liabilities		6,399.08	6,543.66
TOTAL		6,173.33	8,797.63
Significant Accounting Policies	1		
Notes forming part of the consolidated financial statements	1-63		

In terms of our report of even date attached

For **Parikh & Parikh**
Chartered Accountants
FR.No.: 107526W

For and on behalf of the Board of Directors

CA Milan Parikh
Proprietor
Membership No. 038557
Place: Mumbai
Date: 30th June 2021

Shankar Bhandari - Director
Kavita Kapahi - Director

Shyamal Padhiar - Company Secretary

Consolidated Statement of Profit and Loss for the year ended 31st March, 2021

(₹ in Millions)

Particulars	Notes	For the year ended March 31, 2021	For the year ended March 31, 2020
Income			
I Revenue from Operations	23	43,710.50	35,553.22
II Other Income	24	103.77	110.44
III Total Revenue (I + II)		43,814.27	35,663.66
IV Expenses			
a) Cost of Materials consumed	25	42,647.58	17,975.29
b) Purchase of Stock-in-Trade	26	947.84	17,005.40
c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	27	1.37	350.06
d) Employee Benefits Expense	28	15.84	31.32
e) Finance Cost	29	463.36	533.74
f) Depreciation & Amortization Expense	30	64.22	67.38
g) Other Expenses	31	2,130.96	1,105.93
Total Expenses (IV)		46,271.17	37,069.12
V Profit(Loss) before Tax (III - IV)		(2,456.90)	(1,405.46)
VI Less : Tax Expenses			
a) Current Tax (Mat)			
b) Deferred Tax Charged/(Credit)			
VII Profit(Loss) after Tax for the Period/Year (V - VI)		(2,456.90)	(1,405.46)
VIII Other comprehensive income (Loss)			
Item that will not be reclassified to profit or loss			
Remeasurement of defined benefit plans			(1.09)
Tax Expense			
Total Other comprehensive income (Loss)		-	(1.09)
IX Total comprehensive income(Loss) for the year		(2,456.90)	(1,406.55)
X Net Profit /(Loss) for the year attributable to	32 a		
Equity holders of the parent		(2,456.90)	(1,405.46)
Non-controlling interests			-
XI Total comprehensive income(Loss) for the year attributable to			
Equity holders of the parent		(2,456.90)	(1,406.55)
Non-controlling interests			
XII Paid-up Equity Shares Capital (face value ₹10/- each)		291.37	291.37
XII Reserves excluding Revaluation Reserves		(517.16)	1,962.56
XIV Basic & Diluted earning per share (not annualized) (in ₹)		(84.32)	(48.24)

Notes forming part of the consolidated financial statements

1-63

In terms of our report of even date attached

For **Parikh & Parikh**
Chartered Accountants
FR.No.: 107526W

For and on behalf of the Board of Directors

CA Milan Parikh
Proprietor
Membership No. 038557
Place: Mumbai
Date: 30th June 2021

Shankar Bhandari - Director
Kavita Kapahi - Director

Shyamal Padhiar - Company Secretary

Consolidated Cash Flow Statement for the year ended 31st March, 2021

(₹ in Millions)

Particulars	As at March 31, 2021	As at March 31, 2020
A. CASH FLOW FROM OPERATING ACTIVITIES:		
Net Profit before Taxation and Extraordinary Items	(2,456.90)	(1,405.46)
Adjustment for :		
Depreciation and Amortization Expenses	64.22	67.38
Finance Cost	463.37	533.74
Remeasurement of defined benefit plans	-	(1.09)
Reserve for Doubtful Debts	2,065.02	1,061.19
Excess Provision Liabilities written back	-	0.84
Profit on Sale of Investment	-	0.07
Operating Profit /(Loss) before Working Capital Changes	135.71	256.67
Adjustment for :		
Change in Current Assets & Current Liabilities		
(Increase) /Decrease in Inventory	7.22	351.16
(Increase)/ Decrease in other Current Assets	(4.21)	1,032.24
(Increase)/ Decrease in Trade Receivables	580.24	(2,058.17)
Increase/(Decrease) in Trade Payables & Current Liabilities	(19.96)	840.27
Increase/(Decrease) in Other Non Current Liabilities & Provisions	(1.48)	(4.56)
Cash Generated from Operation	561.81	160.95
Less: Direct taxes paid (Net)		
Net Cash flow from Operating Activities	697.52	417.61
B. CASH FLOW FROM INVESTING ACTIVITIES :		
Purchase of Property Plant & Equipments	(0.29)	(0.60)
Purchase of Intangible Assets	14.52	(40.47)
Increase in Capital Reserve(Rate Difference of Investment)	(22.82)	56.47
Investment in Other Non Current Assets	(19.81)	(17.00)
Net Cash Generated in Investing Activities	(28.41)	(1.60)
C. CASH FLOW FROM FINANCING ACTIVITIES :		
Finance Cost	(463.37)	(533.74)
Redemption/(Investment) in Fixed Deposits	145.03	437.59
Increase/(Decrease) in Non Current Borrowings	-	(677.41)
Increase/(Decrease) in Current Borrowings	(123.14)	141.20
Net Cash Generated in Financing Activities	(441.48)	(632.36)
NET CASH FLOW DURING THE YEAR (A+B+C)	227.63	(216.35)
Cash and cash equivalents at the beginning of the year*	13.20	229.55
Cash and cash equivalents at the end of the year*	240.83	13.20

Notes: 1. Cash Flow Statement has been prepared under the indirect method as set out in the Ind AS-7 "Cash Flow Statements"
2. Previous year's figures have been regrouped, rearranged, reclassified wherever applicable.
3. *Cash & cash equivalent includes Cash and Bank Balance only.

In terms of our report of even date attached

For **Parikh & Parikh**
Chartered Accountants
FR.No.: 107526W

For and on behalf of the Board of Directors

CA Milan Parikh
Proprietor
Membership No. 038557
Place: Mumbai
Date: 30th June 2021

Shankar Bhandari - Director
Kavita Kapahi - Director
Shyamal Padhiar - Company Secretary

Consolidated Statement of Changes in Equity for the year ended 31st March, 2021

A. EQUITY SHARE CAPITAL

(₹ in Millions)

Particulars	Amount
Balance as at 1 April 2019	291.37
Changes in equity share capital during the year	-
Balance as at 31 March 2020	291.37
Changes in equity share capital during the year	-
Balance as at 31 March 2021	291.37

B. OTHER EQUITY

(₹ in Millions)

Particulars	Reserves & Surplus				
	Retained earnings	Capital Reserve	General Reserve	Security Premium Reserve	Total
Balance as at 1 April 2019	196.76	615.43	1,065.46	1,435.00	3,312.65
Restatement of prior period items	-	-	-	-	-
Profit for the year	(1,405.46)	-	-	-	(1,405.46)
Other comprehensive income (net of tax)	(1.09)	-	-	-	(1.09)
Issue of equity shares	-	-	-	-	-
Other Adjustments with holding company	-	53.33	3.13	-	56.46
Balance as at 31 March 2020	(1,209.79)	668.76	1,068.59	1,435.00	1,962.56
Profit for the year	(2,456.90)	-	-	-	(2,456.90)
Other comprehensive income (net of tax)	-	-	-	-	-
Issue of equity shares	-	-	-	-	-
Other Adjustments with holding company	-	(22.80)	-	-	(22.80)
Balance as at 31 March 2021	(3,666.69)	645.96	1,068.59	1,435.00	(517.15)

In terms of our report of even date attached

For **Parikh & Parikh**
Chartered Accountants
FR.No.: 107526W

For and on behalf of the Board of Directors

CA Milan Parikh
Proprietor
Membership No. 038557
Place: Mumbai
Date: 30th June 2021

Shankar Bhandari - Director
Kavita Kapahi - Director

Shyamal Padhiar - Company Secretary

Notes forming part of Consolidated Financial Statements

CORPORATE INFORMATION

Shirpur Gold Refinery Limited ("the Parent Company or the Company") is incorporated in the state of Maharashtra, India is listed on Bombay Stock Exchange of India Limited (BSE) and National Stock Exchange of India Limited (NSE) in India. The Registered office and Plant of the Parent Company is situated at Refinery Site, Shirpur, Dist: Dhule, Maharastra-425 505. The Parent Company along with its subsidiaries (collectively referred to as "the Group") has been in the business of manufacturing and trading of gold bars, gold coins, gold jewellery and export of gold jewelry. The Consolidate financial statements were authorized for issue by Board of Directors at their meeting held on 30th June 2021.

1. SIGNIFICANT ACCOUNTING POLICIES

a) Statement of Compliance

These Consolidated financial statement have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the Ind AS) as notified by Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013 (the Act) read with of the Companies (Indian Accounting Standards) Rules 2015 as amended and other relevant provisions of the Act and Rules framed thereunder and guidelines issued by SEBI.

b) Basis of Preparation of Consolidated Financial Statement

i) Compliance with IndAS

The Consolidated financial statements comply in all material respects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act.

ii) Principles of Consolidation

The consolidated financial statements of the Group have been prepared to comply with the Indian Accounting Standards (Ind AS), including the rules notified under the relevant provisions of the Companies Act, 2013 to the extent possible in the same manner as that adopted by the parent company and the subsidiaries audited financial statements as per the respective countries accounting standards. The consolidated financial statements have been prepared under the historical cost convention on the Going Concern concept of accounting.

- The consolidation of financial statements of the Parent Company and its subsidiaries is done to the

extent possible on a line-by-line basis by adding together like items of assets, liabilities, income and expenses. All significant intra-group transactions, unrealized inter-Group profits and balances have been eliminated in the process of consolidation. Being the 100% holding in subsidiaries, minority interest in subsidiaries is not applicable.

- The consolidated financial statements are prepared using uniform accounting policies for transactions and other events in similar transactions.
- The Group follows mercantile system of accounting and recognizes income and Expenditure on accrual basis.
- The consolidated financial statements includes the financial statements of the parent Company and the subsidiaries (as listed in the table below). Subsidiaries are consolidated from the date on which effective control is acquired.

Name of the Subsidiaries	Proportion of interest (including beneficial interest) / Voting Power (either directly / indirectly or through subsidiaries)	Country of Incorporation
Shirpur Gold DMCC	100 %	Dubai, U.A.E.
Precious Metal Mining and Refining Limited	100% subsidiary of Shirpur Gold DMCC	Papua New Guinea
Metalli Exploration And Mining	70% subsidiary of Shirpur Gold DMCC, Dubai (UAE)	Bamako, Mali

iii) Current versus non-current classification

All assets and liabilities have been classified as current or non-current, wherever applicable as per the operating cycle of the Group and other criteria set out in the Act. Deferred tax assets and liabilities are classified as non-current assets and non-current liabilities, as the case may be.

iv) Property, Plant and Equipment and Capital Work in Progress

Recognition and initial measurement:

Property, plant and equipment are recorded at the cost of acquisition. The cost comprises purchase price, borrowing

Notes forming part of Consolidated Financial Statements

cost if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use upto the date when the assets are ready for use. Any trade discount, recoverable taxes and rebates are deducted in arriving at the purchase price. All other repairs and maintenance are recognized in statement of profit and loss as incurred.

Subsequent measurement Depreciation and useful lives

Property, plant and equipment are subsequently measured at cost less depreciation and impairment loss. Based on an independent technical evaluation, the useful life of following PPE has been estimated as 05-60 years (on a single Shift basis), which is different from that prescribed in Schedule II of the Companies Act, 2013.

Assets	Management's Estimate of Useful Life
Concrete Road – GB	60 Years
Airport Complex	30 Years
Plant & Machinery	05-40 years

Depreciation on additions to assets or on sale/discarded of assets, is calculated pro-rata from the month of such addition or up to the month of such sale/ discarded, as the case may be.

De-recognition

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

v) Other Intangible assets

Recognition and initial measurement

Intangible assets are recognized if it is probable that the future economic benefits that are attributable to the asset will flow to the Group and the cost of the asset can be measured reliably. These assets are valued at cost which comprises the purchase price and any directly attributable expenditure on making the asset ready for its intended use.

Subsequent measurement (amortisation)

Intangible assets are amortized on straight line basis over the economic useful life estimated by the management.

vi) Impairment of non-financial assets

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

vii) Impairment of financial assets

In accordance with Ind AS 109, the Group applies expected credit loss (ECL) model for measurement and recognition of impairment loss for financial assets. ECL is the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the Group expects to receive. When estimating the cash flows, the Group is required to consider –

1. All contractual terms of the financial assets (including prepayment and extension) over the expected life of the assets.
2. Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

viii) Revenue Recognition

- Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured.
- Revenue is measured at the fair value of the consideration received/receivable net of rebates and taxes. The Group applies the revenue recognition criteria to each nature of the sales transaction as set out below.
- Sale of Goods is recognized on transfer of all significant risks and rewards of ownership to the buyer and when no significant uncertainty as to collectability exists.
- Revenues/ incomes and Costs/ Expenditure are generally accounted on accrual, as they are earned or incurred.

Notes forming part of Consolidated Financial Statements

- Interest is accounted on time proportion and accrual basis
- Dividend income is accounted when the right to receive the same is unconditional.

ix) Inventories

- Inventories of consumables, raw materials, work-in-progress and finished goods are valued at lower of cost or realizable value. The comparison of cost and net realizable value is made on Market Value or Realizable Value basis.
- In determining cost of raw materials, packing materials, stock-in-trade, stores, spares and consumables, FIFO method is used. Cost of inventory comprises all costs of purchase, duties, taxes (other than those subsequently recoverable from tax authorities) and all other costs incurred in bringing the inventory to their present condition.
- Cost of finished goods and work-in-process includes the cost of raw materials, a proportionate/appropriate share of fixed and variable production overheads, duties and taxes as applicable and other costs incurred in bringing the inventories to their present form.

x) Borrowing Cost

Borrowing costs include interest and other costs that the Group incurs in connection with the borrowing of funds.

Borrowing costs related to a qualifying asset that necessarily takes a substantial period of time to get ready for its intended use is worked out on the basis of actual utilization of funds out of project specific loans and/or other borrowings to the extent identifiable with the qualifying asset and is capitalized with the cost of qualifying asset, using the effective interest method. All other borrowing costs are charged to statement of profit and loss.

In case of significant long-term loans, other costs incurred in connection with the borrowing of funds are amortised over the period of respective loan.

xi) Investments

- Investments intended to be held for more than a year from the date of the acquisition are classified as Non Current Investments and are carried at Cost. Provision for diminution in the value of Non-Current investments is

made only if in the opinion of management, such declines other than temporary in nature.

- Current Investments are carried at lower of cost or fair value. The comparison of cost and fair value is done separately in respect of each category of investments. On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the Statement of Profit and Loss. Profit or Loss on sale of investments is determined on a first-in-first-out (FIFO) basis.

xii) Transactions in Foreign Exchange

The functional currency of the Parent Company is Indian Rupee (R) which is also the presentation currency.

- Initial recognition: Foreign currency transactions are accounted at the exchange rate prevailing on the date of such transactions.
- Measurement of Foreign Currency items at the Balance Sheet date: Foreign currency monetary items are translated using the exchange rate prevailing at the reporting date. Exchange differences arising on settlement of monetary items or on reporting such monetary items at rates different from those at which they were initially recorded during the period or reported in previous financial statements are recognized as income or as expenses in the period in which they arise.
- Forward Exchange Contracts: The premium or discount arising at the inception of forward exchange contracts entered into to hedge an existing asset/liability, is amortized as expense or income over the life of the contract. Any profit or loss arising on cancellation or renewal of such forward exchange contract during the reporting period, is recognized as income or expense for the period, in the Statement of Profit and Loss.
- Accounting of foreign branch: Current assets and liabilities are converted at the appropriate rates of exchange prevailing on the date of the Balance Sheet and revenue and expenses are at monthly average rate for the year.

xiii) Financial Derivative for Commodity Hedging Transactions

In respect of derivative contracts, gain/losses on settlement are recognized in the Statement of Profit and Loss. On the reporting date, profit or loss of all unsettled/outstanding contracts is determined by comparing the value of the position at the mark to market at the Balance Sheet date and recognized in the Statement of Profit and Loss.

Notes forming part of Consolidated Financial Statements

xiv) Post-employment, long term and short term employee benefits

1. Post-employment benefits

i) Defined contribution plan

The Group deposits the contributions for provident fund and employees' state insurance to the appropriate government authorities and these contributions are recognised in the Statement of Profit and Loss in the financial year to which they relate.

ii) Defined benefit plan

The Group's gratuity scheme is a defined benefit plan. The present value of the obligation under such defined benefit plan is determined based on actuarial valuation carried out at the end of the year by an independent actuary, using the projected unit credit method, which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation. The obligation is measured at the present value of the estimated future cash flows. The discount rates used for determining the present value of the obligation under defined benefit plans is based on the market yields on Government Securities for relevant maturity. Actuarial gains and losses are recognised immediately in the Statement of Other Comprehensive Income.

2. Other long term employee benefits

Benefits under the Group's compensated absences constitute other long-term employee benefits. The liability in respect of compensated absences is provided on the basis of an actuarial valuation done by an independent actuary using the projected unit credit method at the year end. Actuarial gains and losses are recognised immediately in the Statement of Profit and Loss.

3. Short-term employee benefits

All employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits. Benefits such as salaries, wages, and bonus, etc., are recognised in the Statement of Profit and Loss in the period in which the employee renders the related service.

xv) Earnings/(loss) per share

Basic earning/loss per share are calculated by dividing the

net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

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

xvi) Accounting for taxes on Income

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

Current tax is determined as the tax payable in respect of taxable income for the year and is computed in accordance with relevant tax regulations.

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

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

Unused tax credit such as (Minimum alternate tax ('MAT') credit entitlement) is recognized as an asset only when and to the extent there is convincing evidence that the Group will pay normal income tax during the specified period. In the

Notes forming part of Consolidated Financial Statements

year in which such credit becomes eligible to be recognized as an asset, the said asset is created by way of a credit to the statement of profit and loss and shown as unused tax credit. The Group reviews the same at each balance sheet date and writes down the carrying amount of unused tax credit to the extent it is not reasonably certain that the Group will pay normal income tax during the specified period.

xvii) Provisions

A provision is recognized when there is a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation; in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current management estimates.

xviii) Contingent Liabilities

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not require an outflow of resources. When there is a possible obligation or a present obligation in respect of which likelihood of outflow of resources is remote, no provision or disclosure is made. Contingent Liabilities are not recognized but are disclosed by way of Notes. Contingent assets are neither recognized nor disclosed in the financial statements.

xix) Contingencies and Events occurring after the Balance Sheet date

All the major contingencies i.e., a condition or situation the ultimate outcome of which is known or determined only on their occurrences or non-occurrences of uncertain future events, till the signing of the financial statements, have been recognized.

Material events occurring after the balance sheet date till signing of thereof, affecting the going concern assumption or having material impact on the financial statements, are recognized.

xx) Cash and cash equivalents

Cash and cash equivalents comprises cash at bank and in hand, cheques in hand and short term investments that are readily convertible into known amount of cash and are subject to an insignificant risk of change in value..

b) Leases

i) Finance lease

Assets held under finance leases are recognised as assets of the Group at their fair value on the date of acquisition, or, if lower, at the present value of the minimum lease payments. The corresponding liability to the lessor is included in the balance sheet as a finance lease obligation. Lease payments are apportioned between finance charges and reductions of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance expenses are recognised immediately in statement of profit and loss account, unless they are directly attributable to qualifying assets, in which case they are capitalised in accordance with the general policy on borrowing costs. Contingent rentals are recognised as expenses in the periods in which they are incurred.

ii) Operating lease

Lease of assets under which all the risks and rewards of ownership are effectively retained by the lessor are classified as operating leases. Operating Lease payments / revenue are recognised on straight line basis over the lease term in the statement of profit and loss, unless the lease agreement explicitly states that increase is on account of inflation.

c) Significant management judgement in applying accounting policies and estimation uncertainty

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent liabilities on the date of the financial statements and the results of operations during the reporting periods. Although these estimates are based upon management's knowledge of current events and actions, actual results could differ from those estimates and revisions, if any, are recognised in the current and future periods

d) Exceptional items

Certain occasions, the size, type, or incidences of the item of income or expenses pertaining to the ordinary activities of the Group is such that its disclosure improves the understanding of the performance of the Group, such income or expenses is classified as an exceptional item and accordingly, disclosed in the financial statements.

Notes forming part of Consolidated Financial Statements

e) Financial Instruments

Financial instruments is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Initial Recognition

- a) Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in the statement of profit and loss.

Subsequent Measurement

- b) Financial assets are classified into the following specified categories: amortised cost, financial assets 'at fair value through profit or loss' (FVTPL), 'at amortised cost, 'Fair value through other comprehensive income (FVTOCI). The classification depends on the Group's business model for managing the financial assets and the contractual terms of cash flows.

Debt Instrument

Amortised Cost

A financial asset is subsequently measured at amortised cost if it is held with in a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. This category generally applies to trade and other receivables.

Fair value through other comprehensive income (FVTOCI)

A 'debt instrument' is classified as at the FVTOCI, if both of the following criteria are met:

- a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
- b) The asset's contractual cash flows represent solely payments of principle and interest.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the Group recognizes interest income, impairment losses, reversals and foreign exchange gain or loss in the statement of Profit and Loss. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to statement of Profit and Loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the Effective Interest Rate (EIR) method.

Fair value through Profit and Loss (FVTPL)

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

In addition, the Group may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is considered only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch').

Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the statement of Profit and Loss.

Reclassification of financial assets

The Group determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Group's senior management determines change in the business model as a result of external or internal changes which are significant to the group's operations. Such changes are evident to external parties. A change in the business model occurs when the group either begins or ceases to perform an activity that is significant to its operations. If the group reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The group does not restate

Notes forming part of Consolidated Financial Statements

any previously recognised gains, losses (including impairment gains or losses) or interest.

Derecognition of financial assets

The Group derecognises a financial asset when the rights to receive cash flows from the asset have expired, or the Group has transferred its rights to receive cash flows from the asset.

Impairment of financial assets

The Group recognizes loss allowances using the expected credit loss (ECL) model for the financial assets which are not fair valued through statement of Profit and Loss. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime ECL. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL. The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognised is recognized as an impairment gain or loss in statement of Profit and Loss.

Financial liabilities

Subsequent Measurement

Financial liabilities measured at amortised cost

Financial liability are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in statement of Profit and Loss when the liabilities are derecognized as well as through the EIR amortization process. Amortized cost is calculated by taking into account any discount or premium on acquisition and fee or costs that are an integral part of the EIR. The EIR amortization is included in finance costs in the statement of profit and loss.

Financial liabilities measured at FVTPL (fair value through profit or loss)

Financial liabilities at FVTPL include financial liabilities held for trading and financial liabilities designated upon initial recognition as at FVTPL. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. Financial liabilities at fair value through statement of Profit and Loss are carried in the statement of financial position at fair value with changes in fair value recognized in finance income or finance costs in the income statement.

Derecognition of financial liabilities

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

Offsetting of financial instruments

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

Determination of fair value

Fair value is the price that would be received on sale of an asset or paid to transfer a liability in an ordinary transaction between market participants at the measurement date.

In determining the fair value of its financial instruments, the Group uses a variety of methods and assumptions that are based on market conditions and risks existing at each reporting date. The methods used to determine fair value include discounted cash flow analysis and available quoted market prices. All methods of assessing fair value result in general approximation of value, and such value may never actually be realized.

f) Share based payments

The Group recognizes compensation expense relating to share-based payments in the statement of profit and loss using fair value in accordance with Ind AS 102, "Share-based Payments". The estimated fair value of awards is charged to statement of profit and loss on a straight-line basis over the requisite service period for each separately vesting portion of the award as if the award was in-substance, multiple awards with a corresponding increase to share based payment reserves.

g) Business combinations

Business combinations are accounted for using the acquisition method as per Ind AS 103, Business Combinations. The

Notes forming part of Consolidated Financial Statements

cost of acquisition is measured at the fair value of the assets transferred, equity instruments issued and liabilities incurred or assumed at the date of acquisition, which is the date on which control is transferred to the Group. The cost of acquisition also includes the fair value of any contingent consideration. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair value on the date of acquisition. Business combinations between entities under common control is accounted for at carrying value. Transaction costs that the Group incurs in connection with a business combination such as finder's fees, legal fees, due diligence fees, and other professional and consulting fees are expensed as incurred.

Significant management judgements

The following are significant management judgements in applying the accounting policies of the Group that have the most significant effect on the financial statements.

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

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

Contingent liabilities: At each balance sheet date basis the management judgment, changes in facts and legal aspects, the Group assesses the requirement of provisions against the outstanding warranties and guarantees. However, the actual future outcome may be different from this judgement.

Significant estimates

Information about estimates and assumptions that have the most significant effect on recognition and measurement of assets, liabilities, income and expenses is provided below. Actual results may be different.

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

Defined benefit obligation (DBO): Management's estimate of the DBO is based on a number of critical underlying assumptions such as standard rates of inflation, medical cost trends, mortality, discount rate and anticipation of future salary increases. Variation in these assumptions may significantly impact the DBO amount and the annual defined benefit expenses.

Fair value measurements: Management applies valuation techniques to determine the fair value of financial instruments (where active market quotes are not available). This involves developing estimates and assumptions consistent with how market participants would price the instrument.

Useful lives of depreciable/amortisable assets: Management reviews its estimate of the useful lives of depreciable/amortisable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technical and economic obsolescence that may change the utility of certain software, customer relationships, IT equipment and other plant and equipment.

Notes forming part of Consolidated Financial Statements

2a. Property, Plant & Equipments

(₹ Millions)

Particulars	Free Hold Land	Land Development	Buildings	Airport Complex	Plant and equipments	Vehicles	Computers	Office equipment	Furniture and fixtures	Electrical Installations	Total
Gross carrying amount											
As at 1 April 2019	5.45	26.57	304.73	52.69	3,097.12	0.410	27.87	7.69	49.72	73.33	3,645.58
Additions	-	-	-	-	-	-	0.07	-	0.10	-	0.17
Disposal/ adjustments	-	-	-	-	-	-	-	-	-	-	-
As at 31 March 2020	5.45	26.57	304.73	52.69	3,097.12	0.41	27.94	7.69	49.82	73.33	3,645.75
Additions	-	-	-	-	-	-	-	-	-	-	-
Disposal/ adjustments	-	-	-	-	-	-	-	-	-	-	-
As at 31 March 2021	5.45	26.57	304.73	52.69	3,097.12	0.41	27.94	7.69	49.82	73.33	3,645.75
Accumulated depreciation											
As at 1 April 2019	-	21.20	192.87	42.08	1,722.20	0.40	25.08	7.32	48.36	70.53	2,130.03
Additions	-	0.27	3.62	0.72	58.27	-	1.66	0.12	1.27	1.00	66.94
Disposal/ adjustments	-	-	-	-	-	-	-	-	-	-	-
As at 31 March 2020	-	21.47	196.48	42.81	1,780.47	0.40	26.74	7.44	49.63	71.53	2,196.97
Additions	-	0.27	3.60	0.73	58.08	-	1.08	0.10	-0.00	0.08	63.94
Disposal/ adjustments	-	-	-	-	-	-	-	-	-	-	-
As at 31 March 2021	-	21.74	200.08	43.54	1,838.55	0.40	27.81	7.54	49.63	71.61	2,260.90
Net Block as at 1 April 2019	5.45	5.37	111.87	10.61	1,374.92	0.01	2.79	0.37	1.36	2.80	1,515.55
Net Block as at 31 March 2020	5.45	5.10	108.25	9.88	1,316.65	0.01	1.20	0.24	0.19	1.80	1,448.77
Net Block as at 31 March 2021	5.45	4.83	104.65	9.15	1,258.57	0.01	0.13	0.15	0.19	1.72	1,384.85

Notes forming part of Consolidated Financial Statements

2 b Other intangible assets

(₹ Millions)

Particulars	License fee and other	Computer Software	Total
Gross Carrying Amount			
As at 1 April 2019	481.75	2.01	483.76
Additions	40.91		40.91
Disposal/adjustment	-	-	-
As as 31 March 2020	522.66	2.01	524.67
Additions	-		-
Disposal/adjustment	14.23	-	14.23
As as 31 March 2021	508.43	2.01	510.44
Accumulated depreciation			
As at 1 April 2019	-	1.29	1.29
Depreciation charge during the year		0.44	0.44
Disposal/ adjustments	-	-	-
As as 31 March 2020	-	1.73	1.73
Depreciation charge during the year		0.28	0.28
Disposal/ adjustments	-	-	-
As as 31 March 2021	-	2.01	2.01
Net Block as at 1 April 2018	481.75	0.72	482.47
Net Block as at 31 March 2019	522.66	0.28	522.95
Net Block as at 31 March 2020	508.43	-	508.43

3. Non Current Investments (Valued at cost unless otherwise stated)

Unquoted

(₹ Millions)

Particulars	As at March 31, 2021	As at March 31, 2020
Investment in equity instrument (unquoted) 8500 (8500) Equity Shares of Shirpur People Co-op. Bank Ltd. of ₹ 10/- each, fully paid up	0.21	0.21
Investment in Gold	-	-
Total	0.21	0.21

4. Other Financial Assets

(₹ Millions)

Particulars	As at March 31, 2021	As at March 31, 2020
Security Deposits	2.63	2.64
Total	2.63	2.64

Notes forming part of Consolidated Financial Statements

5. Deferred Tax Assets (Net)

(₹ Millions)

Particulars	As at March 31, 2021	As at March 31, 2020
As per last year Balance Sheet	461.34	461.34
Less : Deferred Tax Liability		
Total	461.34	461.34

6. Income Tax Assets (Net)

(₹ Millions)

Particulars	As at March 31, 2021	As at March 31, 2020
Income tax Assets	44.88	46.68
Less : Provision for Income Tax	(18.40)	(18.40)
Balance with government authorities- Direct tax(net of provisions)		
Total	26.48	28.28

7. Other Non-Current Assets (Unsecured and considered good)

(₹ Millions)

Particulars	As at March 31, 2021	As at March 31, 2020
Preoperative expenses - Mines*	127.91	106.29
Others		
Fixed Deposit with Banks *		
Total	127.91	106.29

* Pre-acquisition expenses incurred for acquiring gold mine for backward integration.

8. Inventories (Valued at lower of cost or net realisable value)

(₹ Millions)

Particulars	As at March 31, 2021	As at March 31, 2020
Raw Materials and components	-	0.01
Work-in-progress	1.33	2.65
Finished goods	0.04	0.08
Stock in Trade		
Stores and spares	5.85	11.69
Total	7.22	14.43

Notes forming part of Consolidated Financial Statements

9. Trade Receivables (Unsecured and considered good)

(₹ Millions)

Particulars	As at March 31, 2021	As at March 31, 2020
Secured, considered good	2,249.41	4,357.36
Considered Doubtful	4,040.04	2,512.33
	6,289.45	6,869.69
Less: Allowances for Credit Loss	3,126.21	1,061.19
Total	3,163.23	5,808.50

10. Cash and Cash Equivalents

(₹ Millions)

Particulars	As at March 31, 2021	As at March 31, 2020
Balances with banks		
In Current Accounts	240.10	12.93
Cash in hand	0.74	0.27
Total	240.84	13.20

11. Bank Balances other than Cash and Cash Equivalents

(₹ Millions)

Particulars	As at March 31, 2021	As at March 31, 2020
Balance with banks		
- in Fixed Deposits with maturity upto twelve months*	0.13	145.16
Total	0.13	145.16

* Included non current portion ₹ in millions 0.03 (0.03)

12. Other Current Financial Assets

(₹ Millions)

Particulars	As at March 31, 2021	As at March 31, 2020
Others	1.65	1.65
Total	1.65	1.65

Notes forming part of Consolidated Financial Statements

13. Other Current Assets

(₹ Millions)

Particulars	As at March 31, 2021	As at March 31, 2020
Prepaid Expenses	1.09	1.27
Advance to suppliers-Unsecured	3.02	2.98
Dues from Government (Taxes)	24.43	78.21
Others including insurance claim receivable	219.87	159.65
Interest on Loan to Related Parties	-	2.10
Total	248.41	244.20

14. Share Capital

(₹ Millions)

Particulars	As at March 31, 2021	As at March 31, 2020
Authorised 35,000,000 (35,000,000) Equity Shares of ₹ 10/- each	350.00	350.00
Issued, Subscribed and Paid up 29,137,202 (29,137,202) Equity Shares of ₹ 10/- each, fully paid up	291.37	291.37
Total	291.37	291.37

(a) Reconciliation of number of shares and share capital

(₹ Millions)

Particulars	As at 31 March, 2021		As at 31 March, 2020	
	Number	Million	Number	Million
Shares outstanding at the beginning of the year	29,137,202	291.37	29,137,202	291.37
Changes during the year	-	-	-	-
Shares outstanding at the end of the year	29,137,202	291.37	29,137,202	291.37

(b) Details of Shareholders holding more than 5% equity shares in the company

Particulars	% of holding	As at 31 March, 2021	% of holding	As at 31 March, 2020
		Number		Number
Jayneer Infrapower & Multiventures Pvt. Ltd. (formally known as Jayneer Capital Private Limited)	43.66	12,720,703	63.89	18,615,428
Polus Global Fund	6.53	1,903,347	6.53	1,903,347
Pricomm Media Distrution Ventures Pvt. Ltd.	5.27	1,537,995	5.27	1,537,995

Notes forming part of Consolidated Financial Statements

- (c) The company has only one class of shares referred to as equity shares having a par value of Rs 10 per share. All the shares are ranking pari-passu in all respects. Each holder of equity share is entitled to one vote per share. As per the Companies Act, 1956, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts in the event of liquidation of the company. However, no such preferential amounts exist currently. The distribution will be in proportion to the number of equity shares held by the Shareholders.
- (d) Neither bonus shares are issued nor any shares bought back during the five years preceding 31st March 2021.
- (e) As per records of the Company, including Register of Shareholders/Members and other declaration received from the shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownership of shares.

15. Other Equity

(₹ Millions)		
Particulars	As at March 31, 2021	As at March 31, 2020
Securities Premium Account	1,435.00	1,435.00
General Reserve	1,068.59	1,068.59
Capital Reserve	645.96	668.76
Retained earnings		
a. Opening Balance	(1,209.81)	196.76
b. Add: Net Profit after tax transferred from statement of profit and loss	(2,456.90)	(1,405.46)
c. Add: Other Comprehensive income, Net of tax		(1.09)
Closing Balance (a+b-c)	(3,666.71)	(1,209.79)
Total	(517.16)	1,962.56

16. Non Current Liabilities - Borrowings

(₹ Millions)		
Particulars	As at March 31, 2021	As at March 31, 2020
Secured loans*		
Term Loan from Financial Institution		
Unsecured loans		
From Related Party (Refer Note No.46)	449.90	449.90
Total	449.90	449.90

*Secured by way of pari passu first charge on current assets, present and future immovable and movable fixed assets including land and building at Shirpur.

17. Non Current Liabilities - Others Financial Liabilities

(₹ Millions)		
Particulars	As at March 31, 2021	As at March 31, 2020
Sundry Creditors for General Purchase & Expenses*	0.16	0.16
Advances from others		
-Security Deposits#	15.20	15.20
Total	15.36	15.36

* For current portion refer Note 21 below

Security Deposits of ₹ 15.20 (15.20) millions in respect of amount received from various dealers, pending confirmation.

Notes forming part of Consolidated Financial Statements

18. Non - Current Liabilities - Provisions

(₹ Millions)

Particulars	As at March 31, 2021	As at March 31, 2020
Provision for employee benefits (unfunded)		
Gratuity	0.97	2.02
Leave benefits	-	0.43
Total	0.97	2.45

19. Current Liabilities - Borrowings

(₹ Millions)

Particulars	As at March 31, 2021	As at March 31, 2020
Loans from banks* - Secured	4,003.58	4,126.72
Term Loan from Financial Institution	650.00	650.00
Total	4,653.58	4,776.72

* Secured by way of pari passu first charge on current assets, present and future immovable and movable fixed assets including land and building at Shirpur. The aforesaid borrowings are at varying rate of interest and are repayable on demand..

20. Trade Payables

(₹ Millions)

Particulars	As at March 31, 2021	As at March 31, 2020
Dues of micro enterprises and small enterprises		
Dues of creditors other than micro enterprises and small enterprises	659.61	151.97
Total	659.61	151.97

Terms and condition of the above Trade Payable

Trade and other payables are non-interest bearing and are generally having credit terms of 0 to 180 days.

21. Other Current Financial Liabilities

(₹ Millions)

Particulars	As at March 31, 2021	As at March 31, 2020
Statutory Dues	1.01	0.58
Sundry Creditors for General Purchase & Expenses*	34.49	29.55
Advance from customers	0.91	0.91
Others	583.13	207.43
Total	619.54	238.47

* For non current portion refer Note 17 above

Notes forming part of Consolidated Financial Statements

22. Current Provisions

(₹ Millions)

Particulars	As at March 31, 2021	As at March 31, 2020
Provision for employee benefits		
Contribution to Provident Fund	-	0.05
Contribution to ESIC	-	-
Gratuity	-	0.10
Leave benefits	0.12	0.21
Total	0.12	0.36

23. Revenue from Operations

(₹ Millions)

Particulars	As at March 31, 2021	As at March 31, 2020
Sale of products		
Traded Goods	949.81	17,216.12
Manufactured Goods		
Local Sales	42,760.69	18,337.10
Export Sales	-	-
Net Sales	43,710.50	35,553.22
Other operating revenues *	-	-
Total	43,710.50	35,553.22

* Other operating revenues includes Gain from forward contract of ₹ Millions 1.51(4.11) and forex gain on trade receivable and trade payable of ₹ Millions 56.62(10.36).

24. Other Income

(₹ Millions)

Particulars	As at March 31, 2021	As at March 31, 2020
Dividend income	-	-
Balance written back	-	-
Other income	103.77	110.44
Total	103.77	110.44

Notes forming part of Consolidated Financial Statements

25. Cost of Material Consumed

(₹ Millions)		
Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Inventory at the beginning of the year	-	0.93
Add: Purchases	42,641.74	17,973.99
	42,641.74	17,974.92
Less: Inventory at the end of the year	-	-
Cost of raw material consumed	42,641.74	17,974.92
Other materials (Stores and Spares)	5.85	0.37
Total	42,647.58	17,975.29

(₹ Millions)		
Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Gold	42,641.74	17,974.92
Silver	-	-
Other materials (Stores and Spares)	5.85	0.37
Total	42,647.58	17,975.29

26. Purchase of Trading Goods

(₹ Millions)		
Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Gold	947.84	17,005.40
Total	947.84	17,005.40

27. Changes in Inventories of Finished Goods, Work-in-progress and Stock-in-Trade

a. Inventory at the end of the year

(₹ Millions)		
Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Stock in Trade		
Gold	-	-
Silver	-	-
Work in Progress		
Gold	1.33	2.65
Silver	-	-
Finished Goods		
Gold	0.04	0.05
Silver	-	0.01
Total	1.37	2.71

b. Inventory at the beginning of the year

(₹ Millions)		
Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Stock in Trade		
Gold	-	-
Work in Progress		
Gold	2.66	74.80
Finished Goods		
Gold	0.07	277.58
Silver	0.01	0.39
Total	2.74	352.77
c. Net (b - a)	1.37	350.06

28. Employee Benefit Expenses

(₹ Millions)		
Particulars	As at March 31, 2021	As at March 31, 2020
Salaries & wages	15.70	30.18
Contribution to provident & other funds	0.14	1.05
Staff welfare expenses	-	0.09
Total	15.84	31.32

29. Finance Costs

(₹ Millions)		
Particulars	As at March 31, 2021	As at March 31, 2020
Interest expense (Net) Refer Note No. 42	462.95	418.07
Bank charges	0.41	40.58
Other financial charges	-	75.09
Total	463.36	533.73

30. Depreciation & Amortization Expense

(₹ Millions)		
Particulars	As at March 31, 2021	As at March 31, 2020
Depreciation on property, plant and equipment	64.22	67.38
Total	64.22	67.38

31. Other Expenses

(₹ Millions)

Particulars	As at March 31, 2021	As at March 31, 2020
Auditors' Remuneration	1.56	1.39
Power and fuel	-	2.34
Rent Rates & Taxes	1.74	0.59
Repairs & Maintenance	0.05	0.07
Insurance	0.74	0.75
Reserve for Doubtful Debts	2,065.02	1,061.19
Listing Fees	0.54	-
Security Charges	0.86	-
Miscellaneous expenses	60.45	39.60
Total	2,130.96	1,105.93

32. Income Taxes

(a) The major components of income tax for the year ended 31 March 2021 are as under:

(i) Income tax related to items recognized directly in the statement of profit and loss during the year

(ii)

(₹ Millions)

Particulars	March 31, 2021	March 31, 2020
Current tax - current year	-	-
- adjustment for current tax of prior periods	-	-
Total	-	-
Deferred tax charge / (credit)	-	-
Total tax expense reported in the statement of profit and loss	-	-

(b) Tax Expense related to items recognized in other comprehensive income (OCI) during the year

(₹ Millions)

Particulars	March 31, 2021	March 31, 2020
Tax Expense charge / (credit) on remeasurement of defined benefit plan	-	-

Notes forming part of Consolidated Financial Statements

(c) Reconciliation of tax expense and the accounting profit multiplied by tax rate

(₹ Millions)		
Particulars	March 31, 2021	March 31, 2020
Accounting profit / (loss) before tax	(2,456.90)	(1,474.61)
Income tax		
Statutory income tax @ of 15.6 % (2020: 15.6%)tax on Book profit		
Tax effect of earlier years		
Tax effect on exempt income	-	-
Tax effect on non-deductible expenses (including exceptional item)	-	-
Additional allowances for tax purposes	-	-
Impact of change in tax rate on deferred tax assets	-	-
Tax expense recognized in the statement of profit and loss	-	-

Note : The Group has brought forward losses to absorb the taxable income . Hence the tax on book profits is calculated as per the provisions of Sec 115JB of the Income Tax Act 1961. The Statutory tax rate is 15.6% i.e Minimum Alternative Tax rate in India. The Tax rate for deferred tax assets for the year ended 31 st March 2021 is 31.2% (2020: 31.2%). Deferred Tax assets and liabilities are offset where the Group has a legally enforceable.

(d) Reconciliation of deferred tax assets/(liabilities) (net)

(₹ Millions)		
Particulars	As at March 31, 2021	As at March 31, 2020
Opening balance	461.34	461.34
deferred tax (charge) / credit recognized in		
- Statement of profit and loss	-	-
- Other comprehensive income		
Total	461.34	461.34

33. CONTINGENT LIABILITIES AND COMMITMENTS

Contingent Liabilities

(₹ Millions)		
Particulars	As at March 31, 2021	As at March 31, 2020
Disputed Direct Taxes *	0.62	0.62

The Export obligation under EPCG licenses issued in the year 2002, 2012 & 2014 is completed and the redemption of licenses is in process.

* Income tax demands mainly include appeals filed by the Company before various appellate authorities against the disallowance of expenses/claims and Penalty etc. The management is of the opinion that tax cases will be decided in its favour and hence no provision is considered at this stage.

Notes forming part of Consolidated Financial Statements

34. COMMITMENTS

(₹ Millions)

Particulars	As at March 31, 2021	As at March 31, 2020
Bank Guarantees issued by banks & balance outstanding at year end[against the said bank guarantees ₹/Millions Nil (145.16) has been kept as margin money]	1,016.50	1,016.50

35. DETAILS OF CONSUMPTION OF IMPORTED AND INDIGENOUS STOCKS

Raw Material Consumed

(₹ Millions)

Particulars	For the year March 31, 2021	For the year March 31, 2020
Imported	42,641.73	15,527.13
Indigenous	5.85	2,448.16
Total	42,647.58	17,975.29

36. INVENTORY AND TURNOVER

(₹ Millions)

Gold	Sales Value	Closing Inventory	Opening Inventory
Manufactured Goods	42,760.69 (18,337.10)	1.37 (2.75)	2.75 (353.67)
Traded Goods	949.81 (17,216.12)	- (-)	- -
Total	43,710.10	1.37	2.75
	(35,553.22)	(2.75)	(353.67)

(₹ Millions)

Stores & Spares	Closing Inventory	Opening Inventory
Stores and Spares Consumed	5.85 (11.69)	11.69 (11.92)

37. EARNINGS IN FOREIGN EXCHANGE

(₹ Millions)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
FOB Value of Export	-	-

Notes forming part of Consolidated Financial Statements

38. MANAGERIAL REMUNERATION

Remuneration paid or provided in accordance with Section 197 of the Companies Act, 2013 to Manager is included in Employee benefit expense is as under:

Particulars	(₹ Millions)	
	For the year ended March 31, 2021	For the year ended March 31, 2020
Salary and allowances	-	1.21

Note: Salary and allowances include basic salary, personal allowance, house rent allowance, medical reimbursement and leave travel allowance & performance bonus but excluding leave encashment.

39. PAYMENT TO AUDITORS

For Standalone

Particulars	(₹ Millions)	
	For the year ended March 31, 2021	For the year ended March 31, 2020
Audit Fee	1.10	1.10
Other Services & reimbursement of expenses	0.05	0.09
Total	1.15	1.19

For Subsidiaries

Particulars	(₹ Millions)	
	For the year ended March 31, 2021	For the year ended March 31, 2020
Audit Fee	0.41	0.18
Tax Audit Fee	-	-
For Other Services	-	-
Total	0.41	0.18

40. EARNINGS PER SHARE

Particulars	(₹ Millions)	
	For the year ended March 31, 2021	For the year ended March 31, 2020
Profit (Loss) after tax available for appropriation to equity shareholders	(2,456.90)	(1,405.46)
Weighted average number of equity shares for basic and diluted EPS (in numbers)	29,137,202	29,137,202
Nominal Value of equity shares (in ₹)	10.00	10.00
Basic and Diluted Earnings per share (in ₹)	(84.32)	(48.24)

Notes forming part of Consolidated Financial Statements

41. The consolidated financial statements have been prepared as per the requirement of Ind AS 110, a consolidated financial statements and Ind AS 111 for its two foreign subsidiaries alongwith two of there step down foreign subsidiaries.

42. Interest expense is net of interest income of ₹ Millions 5.51 (23.10).

43. SEGMENT REPORTING

The Group is in the business of refining, manufacturing and marketing of precious metal which is considered as the only reportable segment. The Company does not have any geographical segments. Hence, there are no separate reportable segments as per Ind AS 108 on "Operating Segments"

44. MICRO, SMALL AND MEDIUM ENTERPRISES

The Group has no dues to Micro, Small and Medium enterprises as at 31st March, 2018, on the basis of information provided by the parties and available on record. Further, there is no interest paid / payable to micro and small enterprises during the year.

45. FINANCIAL INSTRUMENTS

(a) Financial risk management objective and policies

The Company's principal financial liabilities comprise borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include investments, loans, trade and other receivables, and cash and bank balances.

The Company is exposed to market risk, credit risk and liquidity risk. The Board provides guidance for overall risk-management, as well as policies covering specific are as such as credit risk, liquidity risk and investment of excess liquidity.

(i) Marketrisk

Market risk is the risk that changes in market prices, such as foreign exchange rates and interest rates will affect the Company's income. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return.

1 Interest rate risk

This refers to risk to Company's cash flow and profits on account of movement in market interest rates.

For the Company the interest risk arises mainly from interest bearing borrowings which are at floating interest rates. To mitigate interest rate risk, the Company closely monitors market interest and as appropriate makes use of optimized borrowing mix / composition etc.

(a) Interest rate risk exposure

(₹ Millions)		
Particulars	March 31, 2021	March 31, 2020
Variable rate borrowings	4,653.58	4,776.72
Fixed rate borrowings		
Total borrowings	4,653.58	4,776.72

Notes forming part of Consolidated Financial Statements

(b) Interest rate sensitivity analysis

The following table illustrates the sensitivity of profit and equity to a reasonably possible change in interest rate of 50 basis points increase or decrease. The calculations are based on the variable rate borrowings outstanding at balance sheet date. All other parameters are held constant.

(₹ Millions)

Impact on profit before tax	March 31, 2021	March 31, 2020
	Gain/(Loss)	
Interest rate - increase by 50 basis points	(23.27)	(23.88)
Interest rate - decrease by 50 basis points	23.27	23.88

2 Foreign currency risk

Currency risk is the risk that the fair value or future cash flows fluctuate because of changes in market prices. The Company is exposed to foreign exchange risk on their receivables and payables which are mainly held in the United State Dollar ("USD"). Consequently, the Company is exposed primarily to the risk that the exchange rate of the Indian Rupees ("INR") relative to the USD, may change in a manner that has an effect on the reported values of the Company's assets and liabilities that are denominated in these foreign currencies.

The following table sets forth information relating to unhedged foreign currency exposure at the end of the reporting period:

(₹ Millions)

Currencies	Assets as at		Liabilities as at	
	31 March, 2021	31 March, 2020	31 March, 2021	31 March, 2020
USD	-	-	137.80	141.33

Sensitivity to foreign currency risk

The following table demonstrates the sensitivity in the, to a 10% increase and decrease in the Re against the relevant foreign Currency with all other variables held constant. The below impact on the Company's profit before tax is based on changes in the fair value of unhedged foreign currency monetary assets and liabilities at balance sheet date:

(₹ Millions)

Currencies	Sensitivity			
	31 March, 2021		31 March, 2020	
	Depreciate by 10% Gain/(Loss)	Appreciate by 10%	Depreciate by 10% Gain/(Loss)	Appreciate by 10%
USD	(13.78)	13.78	(14.13)	14.13

(ii) Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counter party to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers, loan and deposits given, investments and balances at bank. The Company measures the expected credit loss of trade receivables based on financial conditions/market practices, credit track record in the market, analysis of historical bad debts and past dealings for

Notes forming part of Consolidated Financial Statements

extension of credit to customers. Individual credit limits are set accordingly. The Company monitors the payment track record of the customers and ageing of receivables. Outstanding customer receivables are regularly monitored. The Company considers the concentration of risk with respect to trade receivables as low, as its customers are located in several jurisdictions and industries and operate in largely independent markets. The Company has also taken advances and security deposits from some of its customers, which mitigate the credit risk to an extent.

Ageing analysis of trade receivables has been considered from the date the invoice falls due.

(₹ Millions)		
Particulars	March 31, 2021	March 31, 2020
Trade receivables (unsecured)		
Up to six months	535.87	1,577.66
More than six months	2,627.36	4,230.84
Total (a)	3,163.23	5808.50

Credit risk on cash and cash equivalents is limited as the Company generally invests in deposits with banks and financial institutions with high credit ratings assigned by credit rating agencies. Investments primarily include investment in redeemable preference shares, optionally convertible debentures, compulsorily convertible debentures and other debt instruments. Security deposits against leasing of premises are refundable upon closure of the lease and credit risk associated with such deposits is relatively low.

(iii) Liquidity risk

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations on time or at a reasonable price. For the Company, liquidity risk arises from obligations on account of financial liabilities—borrowings, trade payables and other financial liabilities. The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation. The Company manages liquidity risk by maintaining adequate reserves, by continuously monitoring forecast and actual cashflows and matching the maturity profiles of the financial assets and liabilities. It maintains adequate sources of financing including loans, debt and overdraft from banks. It also enjoys strong access to domestic capital markets across various debt instruments.

Exposure to liquidity risk

The table below provides details regarding the contractual maturities of financial liabilities (including interest accrued) at the reporting date. The contractual cashflow amounts are gross and undiscounted.

(₹ Millions)

As at 31 March 2021

	Less than 1 year	Between 1 to 5 years	Beyond 5 years
Financial liabilities			
Long term borrowings	--	--	449.90
Short term borrowings	1,821.88	2,831.70	
Trade payables	511.11	148.50	
Other current financial liabilities	421.20	198.34	
Other non-current financial liabilities			15.36
Total	2754.19	3,178.54	465.26

(₹ Millions)

Notes forming part of Consolidated Financial Statements

As at 31 March 2020

	Less than 1 year	Between 1 to 5 years	Beyond 5 years
Financial liabilities			
Long term borrowings	-	-	449.9
Short term borrowings	4776.72	-	-
Trade payables	921.07	139.32	
Other current financial liabilities	238.47		
Other non-current financial liabilities			15.36
Total	5,936.26	139.32	465.26

A. Capital Management

The Company manages its capital to ensure that it will be able to continue as a going concern while maximizing the return to the stakeholders through the optimization of the debt and equity balance.

Fair value measurements

(i) Financial instruments by category

Financial assets (other than investments in subsidiaries and associates which are carried at cost)

(₹ Millions)

	31 March, 2021		31 March, 2020	
	Carrying amount	Fair value	Carrying amount	Fair value
i) Measured at a mortized cost				
Non-current assets				
Investments	0.21	0.21	0.21	0.21
Other financial assets	2.63	2.63	2.64	2.64
Current assets				
Investments				
Trade receivables	3,163.23	3,163.23	5808.50	5808.50
Loans	-	-	-	-
Cash and cash equivalents and other bank balances	240.96	240.96	158.36	158.36
Other financial assets	1.65	1.65	1.65	1.65
Total financial assets measured at amortized cost	3,408.69	3,408.69	5971.36	5971.36

ii) Measured at fair value through other comprehensive income: Nil

Notes forming part of Consolidated Financial Statements

46. RELATED PARTY DISCLOSURES

List of Related Parties

Other related parties

Diligent Media Corporation Limited
Jay Properties Pvt.Ltd.
Essel Corporate LLP
Essel Infraprojects Ltd.

Related party Transactions during the year

		(₹ Millions)	
Particulars	As at March 31, 2021	As at March 31, 2020	
(A) Transactions			
Key Managerial personnel (KMP)			
RRemuneration paid	--	1.21	
Other Related Parties			
Diligent Media Corporation Limited – Sale of goods	--	3.92	
Essel Corporate LLP - Loans & Advances	0.23	--	
Essel Infraprojects Ltd. – Loans & Advances	0.54	--	
(B) Balances at the end of the year			
Jay Properties Pvt.Ltd.			
Unsecured Loan	449.90	449.90	
Deposits	1.33	1.33	
Essel Corporate LLP – Loans & advances taken	0.23	--	
Essel Infraprojects Ltd. – Loans & advances taken	0.54	--	
Manoj Agarwal – Sitting Fees Payable	0.08	--	
Kavita Kapahi - Sitting Fees Payable	0.19	--	

47. Robbery of Unrefined Gold in transit

As reported in the preceding year's Annual Report, on 24th April 2015, 60 Kgs of Gold, during transit to factory at Shirpur, was robbed near Nashik, Maharashtra, of which the seizure made was 13.6939 kgs including 2 kgs from site of robbery and other assets of the robbers, were in Police Custody. On 19th April 2017, the Parent Company has taken possession of the said seized 13.6939 Kgs of Gold pursuant to the Order of the Hon'ble Session Court. The said seized gold was accounted in the preceding year as part of inventories and is valued as per Ind AS 2. The Claim for balance gold of 46.3062 Kgs valued at ₹124.17 million including expenses of ₹1.65 million is pending for settlement with the Insurance Company and is accounted as "Claims Receivables" under Other Current Assets. On Finalization of Claim by the insurance Company, the difference, if any, between the amount claimed and the actual claim received, which the management does not expect to be material will be charged to Statement of Profit & Loss. The Insurance claim in respect of robbery is pending final negotiation and settlement due to changes in the top decision making management of the insurance Company.

48. Balances appearing in the financial statements are pending confirmations and reconciliation from the parties concerned.

Notes forming part of Consolidated Financial Statements

49. Corporate Social Responsibility

As per Section 135 of the Companies Act, 2013, a CSR Committee has been formed by the Parent Company. The Parent Company is required to spend ₹ Nil Millions (1.15 Millions) for the year against which Rs Millions NIL (NIL) has been spent on activities specified in Schedule VII of the Companies Act, 2013. The accumulated balance of such unspent amount is ₹ 10.80 Million (₹10.80 Million). CSR has been charged to the statement of profit and loss under Miscellaneous expenses to the extent of Rs Nil Millions (Rs Nil Millions) for the year ended 31st March 2021 (31st March 2020).

50. Dividend paid and proposed

No dividend on equity shares is paid or proposed by Board of Directors for the year ended 31st March 2021 and 31st March 2020.

51. Non applicability of IND AS 32 or 109

In view of no terms and conditions etc., no restatement under Ind AS 32 or 109 has been considered for Unsecured Interest free Loan of ₹4499.00 Lakhs received from a body corporate under Essel Group and from other deposits of ₹15.20 Millions.

52. Collateral/ security pledged, mortgaged

The carrying amount of assets as per standalone financials pledged and mortgaged as security for current and non-current borrowings of the Group are as under:

Particulars	(₹ Millions)	
	As at March 31, 2021	As at March 31, 2020
Property Plant & Equipment	1384.85	1446.45
Other current and non- current financial assets	962.21	3162.79
Other Current and non current assets	242.46	311.55
Total assets pledged	2589.36	4920.79

53. Disclosure as required by Schedule V (A) (2) of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015

During the year, no loans and advances were given to firm/Companies etc in which directors are interested except to subsidiary Companies.

54. As reported in preceding year's Annual Report, Fixed Deposit of ₹145.97 million including interest thereon, kept as margin against Bank Guarantees of Axis Bank Ltd., has been adjusted against outstanding dues of ₹382.7 Million due to defaults in repayment and non compliance of terms and condition thereof, in absence of information during reporting period. The same has been disclosed in bank balances other than Cash and Cash Equivalents.

55. Continuing reported from previous year's and during the year, three of the lender banks and a financial institution ('the lenders') have outstanding dues, amounting to ₹3408.74 millions including amount of bank guarantees invoked, interest and penal interest of ₹577.04 million as per the records of the Parent Company, classified as Non-performing assets. The said dues are after adjustment of fixed deposits of ₹ 145.96 million, including interest thereon, kept as margin against bank guarantees with Axis Bank Ltd., due to defaults in the repayment and non-compliance of the terms and conditions. The Parent Company has considered differential interest of ₹64.7 millions as debited by the leading bank, as contingent liability, since not accepted.

Notes forming part of Consolidated Financial Statements

Of the said lenders, two of the bankers and a financial institution has recalled the loan outstanding of ₹2863.06 million including interest at the year end. Of the said bankers, one of the bankers has issued notice dated 02.09.2020 under Section 13(2) of SRAFAESI 2002 calling upon the Parent Company to repay within 60 days of the said notice, in full ₹928.02million (including interest and penal interest till 01.09.2020) failing which will take possession of the secured assets, wherever lying.

An Independent auditor is appointed by the lenders to carry out audit of the books of accounts of the Parent Company, as informed has submitted its report to the Bank.

The Management is yet to receive any response from the said bank in respect of the said report. Further as reported in the preceding report that the scheme of restructuring the said overdues and/or negotiation with the lenders continues to be under way for an amicable settlement.

56. No provision for deferred tax is made in view of the temporary suspension of the manufacturing operations and slowdown in the trading activities, resulting in no immediate probability of any future profits to absorb such deferred tax.
57. Provision for doubtful debts is made in respect of receivables from three of the bodies corporate, amounting to ₹2,065.02 millions during the year and aggregate of such provisions so far made is ₹3,126.21 millions (out of the receivables of ₹4,040.04millions from such bodies corporate) included in other expenses in the financial statements.

Of the said provision includes ₹2,418.56 millions against gross receivables of ₹2,418.56 millions from a body corporate, against whom petition has been filed by a third party and an order for commencement of a Corporate Insolvency Resolution Process has been issued by National Company Law Tribunal, New Delhi. The Group has initiated effective steps against other debtors and is hopeful of recovering the same.

58. Trade receivables of ₹3,163.23 Millions is after making provisions for doubtful debt of ₹3126.21Millions. The Management is assured of recoveries of dues from these parties.
59. During FY 2015-16, an Excise Duty paid of ₹9.50 millions under protest, is to be received and the Parent Company is following with Excise authorities for refund.
60. The management of the Parent Company has assessed that there is no material impact on its operations considering the business segment (Precious Metals) in which Company operates, due to outbreak of Coronavirus (COVID-19) leading to consequential lock down across the country during the year and further restrictions imposed by many State Governments subsequent to year-end due to spread of Covid-19 second wave. Hence, the same do not require any adjustment in financial statement as the Parent Company was not operating because of lockdowns and other factors as stated herein.

Due to the said pandemic COVID-19 discussions with lenders has further delayed for implementation of any revival plans of operations of the Parent Company.

However, given the uncertainties in the economic environment, management's impact assessment is subject to significant estimation, uncertainties, and accordingly, the actual figures in future may be different from those estimated as at the date of approval of these financial statements. Considering that it is a dynamic and evolving situation, the management will continue to monitor any material changes to the future economic conditions and consequential impact on its business/operations.

Notes forming part of Consolidated Financial Statements

61. Assessment of Going Concern as a basis of accounting:

The Group has incurred loss during the current due to temporary cessation of manufacturing and trading turnover. Further, it had been served with Notices by the lender banks/institution, for repayment of the loans taken with interest and even have served notice for constructive handing over of the factory premises. These may create a doubt regarding the Group's ability to continue as a going concern. However, the financial statements have been prepared on a going concern basis considering the expectation of the Management that they will amicably settle with the lender banks/institutions, as negotiations are on. Once settled, the manufacturing and trading operations may re-commence, with the financial support from the promoter Company etc and/or the management's plan to generate cash flows through operations which would enable the Group to meet its financial obligations as and when they fall due.

62. Prior Year Comparatives

Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classifications / disclosures.

63. Figures in brackets are for previous year unless otherwise stated.

In terms of our report of even date attached

For **Parikh & Parikh**
Chartered Accountants
FR.No.: 107526W

CA Milan Parikh
Proprietor
Membership No. 038557
Place: Mumbai
Date: 30th June 2021

For and on behalf of the Board of Directors

Shankar Bhandari - Director
Kavita Kapahi - Director

Shyamal Padhiar - Company Secretary

SHIRPUR GOLD REFINERY LIMITED

Registered Office: Refinery Site, Shirpur, Dist. Dhule, Maharashtra – 425 405

CIN: L51900MH1984PLC034501 **Website:** www.shirpurgold.com

ATTENDANCE SLIP

(To be presented at the entrance)

I / We hereby record my / our presence at the Thirty Sixth Annual General Meeting of the Company held at the Registered Office of the Company at Refinery Site, Shirpur, Dist. Dhule, Maharashtra – 425 405 on Thursday, 30th September, 2021 at 10.00 a.m.

Name of the Shareholder / Proxy (in Block Letters)

Signature of the Shareholder / Proxy

Reg. Folio No.

DP ID No.

Client ID / Demat A/c. No.

No. of Shares

Note: You are requested to sign and handover this slip at the entrance of the Meeting Venue.

SHIRPUR GOLD REFINERY LIMITED

Registered Office: Refinery Site, Shirpur, Dist. Dhule, Maharashtra – 425 405

Tel: 02563-258001, Fax: 02563-261357

CIN: L51900MH1984PLC034501 Website: www.shirpurgold.com

PROXY FORM

Name of Member(s): _____

Registered address: _____

E-mail Id: _____

Folio No./Client ID No.: _____

I/We, being the member(s) of _____ Shares of **Shirpur Gold Refinery Limited**, hereby appoint

Name: _____ E-mail Id: _____

Address _____ Signature: _____

or failing him

Name: _____ E-mail Id: _____

Address _____ Signature: _____

or failing him

Name: _____ E-mail Id: _____

Address _____ Signature: _____

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 36th Annual General Meeting of the Company to be held on Thursday, 30th September, 2021 at 10.00 a.m. at Refinery Site, Shirpur, Dist. Dhule, Maharashtra – 425 405 and at any adjournment thereof in respect of such resolutions as are indicated below:

I wish my above proxy to vote in the manner as indicated in the box below

Resolutions	For	Against
1. Adoption of Audited Financial Statements of the Company for the financial year ended March 31, 2021		
2. Appointment of Mr. Amit Goenka as Director retiring by rotation		
3. Appointment of Mr. Shankar Bhandari as Non Executive Non Independent Director		
4. Appointment of Mr. Prakash Chandra Pandey as Non Executive Non Independent Director		
5. Appointment of Mr. Ankush Gupta & Associates, Chartered Accountants as Statutory Auditors to fill the casual vacancy		
6. Appointment of Mr. Ankush Gupta & Associates, Chartered Accountants as Statutory Auditors to hold the office till conclusion of AGM to be held in 2024		

Signed this _____ day of _____ 2021

Affix
₹ 1/-
Revenue
Stamp

Signature of Shareholder _____ Signature of Proxyholder(s) _____

Note: This form in order to be effective should be duly completed and deposited at the Registered Office of the Company at Refinery Site, Shirpur, Dist. Dhule, Maharashtra – 425 405, not less than 48 hours before the commencement of the Meeting.

SHIRPUR GOLD REFINERY LIMITED
(An ISO 9001:2015 Company)

Corporate Office: 135, Continental Building, Dr. A.B. Road, Worli, Mumbai – 400 018

Tel: 022 7106 1234 | Fax: 022 7154 5940

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