

**Date:** September 05, 2023

**To,**

The National Stock Exchange of India Limited,  
Exchange Plaza,  
Plot no. C/1, G Block,  
Bandra-Kurla Complex  
Bandra (E), Mumbai-400051

**Sub.: Notice of 16<sup>th</sup> Annual General Meeting and Annual Report for the Financial Year 2022-23**  
**Symbol: SAGARDEEP**

Dear Sir,

We would like to inform you that the 16<sup>th</sup> Annual General Meeting ("AGM") of the Company is scheduled to be held on Thursday, September 28, 2023 at 01.00 p.m. through Video Conferencing/Other Audio-Visual Means ("VC/OAVM") in compliance with the applicable circulars issued by the Ministry of Corporate Affairs and the Securities and Exchange Board of India to transact the business mentioned in the Notice of 16<sup>th</sup> Annual General Meeting.

Pursuant to Regulation 34(1) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are submitting herewith the Notice of 16<sup>th</sup> Annual General Meeting and Annual Report for the Financial Year 2022-23, which is being sent through electronic mode to all eligible Shareholders of the Company whose email IDs are registered with the Company/ Registrar and Transfer Agent (RTA) of the Company or the Depository Participants.

The Copy of the Notice of 16<sup>th</sup> Annual General Meeting and Annual Report for the Financial Year 2022-23 is also available on the Company's website at [www.gujchemdistillers.in](http://www.gujchemdistillers.in)

Thanking you,  
Yours faithfully,

**For, SAGARDEEP ALLOYS LTD**

**Director/ Auth, Signatory**  
**Satish Kumar Mehta**  
**Managing Director**  
**(DIN: 01958984)**

**16<sup>TH</sup>  
ANNUAL REPORT  
2022-23**

**SAGARDEEP ALLOYS LIMITED**

## **ABOUT THE COMPANY**

Sagardeep Alloys Ltd. is the umbrella brand of Sagardeep Metals, established in 1972 and promoted by Mr. Asmal Mehta. With over 35 years of experience in the Indian market, Sagardeep Alloys is a trusted and reputed manufacturer of copper alloys consumables, Copper pipes and tubes, Copper flats, Copper coils, Copper rods, Copper anodes, Copper nuggets and Copper plates and also trades in Stainless Steel sheets / coils, rods.

Our production unit (Yard) is well equipped with for high quality products. The manufacturing facility of the Company is able to produces various types of Copper and Copper Alloy products like sheet, pipe, tube, section, bus bar etc.

We are supplying also to few well know companies and that has enabled our company to exhibit the traits of good quality, precise adherence to global standards and maintaining of a thorough constant update on latest developments in the copper and copper alloy technology.

During the financial year 2021-22, the Company received the Consent to Commence (CTC) from GPCB to commence the production of Copper and Ferrous Sulphate products and started commercial production of both products but due to negligible revenue from the said production, during the year 2022-23 the Company discontinued the Commercial Production of copper sulphate owing to less margin and low demand of the said products.

On getting trading opportunity, the Company also do trades in Stainless Steel Pipes, Seamless Pipes, Welded Pipes, Tubes, Sheets, Coils, Plates, Welding Electrodes and other similar products.

The Company is working to enlarge its market reach and expecting to increase its present capacity utilization in coming years and any increase in capacity utilization will improve the profitability of the Company.

## **CHAIRMAN'S MESSAGE**

**Dear Shareholders,**

The year 2022-23 has given a ride of ups-downs in the world economy. Our commitment to excellence, innovation, and customer satisfaction has been the cornerstone of our success. We have consistently strived to uphold the highest standards of quality in our products and services, and that commitment will remain at the core of everything we do. The commodity price volatility, soaring energy prices, lingering supply chain challenges and geopolitical conflicts have made the recovery increasingly fragile. As we continued to navigate through the pandemic with resilience, the war in Ukraine has triggered another crisis that has brought before us numerous other challenges in the form of strained geopolitical and trade relations. The ongoing geopolitical conflict, global inflation and continuing supply shortages are expected to adversely impact global GDP growth in 2023-24.. The rise in central bank policy rates to fight inflation continues to weigh on economic activity. Commodity and energy prices are expected to remain high in the wake of the conflict and sanctions, thereby resulting in an increase in global inflation. Although global growth expectations have moderated recently, the structural demand drivers for commodities like steel remain intact.

Our Company is engaged in manufacturing of Copper and Copper Alloy Products, which are mainly industrial in nature and improvement in industrial sentiments will also improve the performance of our Company.

During the financial year 2022-23, there is no change in the nature of business carried out by the Company. During the year 2022-23, the management of the Company discontinued the Commercial Production of copper sulphate owing to less margin and low demand of the said products.

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

Warm regards,

**SATISHKUMAR ASAMAL MEHTA**

CHAIRMAN

23.08.2023

## CORPORATE INFORMATION

**Board of Directors**

Mr. Satishkumar Asamal Mehta  
Chairman & Managing Director  
(Din: 01958984)  
Mr. Jayeshkumar Ashmal Mehta  
Whole-Time Director & C.F.O.  
(Din: 02156140)  
Mr. Hemendra Bhailal Patel  
Independent Director (upto 22nd August 2023)  
Non-Independent Director (From 23rd August, 2023)  
(Din: 01827562)

Mrs. Vinita Pankaj Maheshwari  
Independent Director  
(Din: 07187365)  
Mr. Jitendrakumar Dhanjibhai Patel  
Independent Director  
(Din: 07369309) (upto 23rd May 2022)  
Mr. Parimal Suryakant Patwa  
Director  
(Din: 00093852) (Upto 23rd August, 2023)  
Mr. Manan Girishbhai Gajjar  
Independent Director  
(Din: 07369309) (w.e.f. 30th June 2022)  
Mr. Amit R Pachori  
(Independent Director)  
(Din: 10286605) (w.e.f. 23th August 2023)

Chief Financial Officer  
Vismay Shah  
Upto 30th September, 2023

Mr. Jayesh A Mehta  
(W.e.f. 30th September, 2023)

**Company Secretary & Compliance Officer**

Ms. Ami Doshi  
(upto 30th Sept., 2022)  
Ms. Anuja Jain  
(w.e.f. 11th Nov., 2022)

**Registered Office**

Plot no. 2070, Rajnagar Patia, Santej  
Khatraj Road, Santej Kalol,  
Gandhinagar - 382721  
Phone: 079- 25626304, 25626335  
E- Mail: secretary@sdalloys.com,  
investors@sdalloys.com  
Website: www.sdalloys.com

**Statutory Auditors**

M/s. Piyush J Shah & Co  
504-B, Shikhar Complex, Nr. Vadilal House,  
Mithakali Six Roads, Navrangpura,  
Ahmedabad-380009

**Banker**

Axis Bank Limited

**Registrar & share Transfer Agent**

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

INDEX		
Sr. No.	Contents	Page No.
1)	Notice	4-14
2)	Directors' Report	15-21
3)	Management And Discussion Analysis	35-37
4)	Corporate Governance Report	38-56
5)	Standalone & Consolidated Independent Auditors' Report and Financials	57-122

## NOTICE

**NOTICE** is hereby given that the 16th (Sixteenth) Annual General Meeting of the Shareholders of Sagardeep Alloys Limited will be held on **Thursday, 28th September, 2023 at 1.00 p.m.** through Video Conferencing / Other Audio-Visual Means to transact the following businesses: The venue of the meeting shall be deemed to be the Registered Office of the Company at Plot No. 2070 , Rajnagar Patiya , Santej Khatraj Road, Santej Kalol Gandhinagar-382721, Gujarat

**ORDINARY BUSINESS:****1. To receive, consider and adopt**

- a) The audited Standalone Financial Statement of the Company for the financial year ended March 31, 2023 and the reports of the Board of Directors and Auditors thereon; and
- b) The audited Consolidated Financial Statement of the Company for the financial year ended March 31, 2023 and the reports of the Auditors thereon.

2. To appoint a Director in place of **Mr. Jayesh A Mehta (DIN: 02156140)**, Director who retires by rotation and being eligible, offers himself for re-appointment.

**SPECIAL BUSINESS:****3. Re-designation of Mr. Hemendrabhai Bhailal Patel (DIN: 01827562) from Independent Director to Non- Executive Non-Independent Director**

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

**"RESOLVED THAT** pursuant to provisions of section 149, 152 and all other applicable provisions of the Companies Act, 2013 ("Act") and the Rules made there under (including any statutory modification(s) or re-enactments thereof for the time being in force), the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), the Articles of Association of the Company and as proposed and recommended by the Nomination and Remuneration Committee and the Board of Directors of the Company, the approval of members of the Company be and is hereby accorded to the Re- designation of Mr. Hemendrabhai Bhailal Patel (DIN: 01827562) as Non-Executive Non-Independent Director of the Company with effect from August 23, 2023 from the position of Non-Executive Independent Director and his term of office shall be liable to retire by rotation.

**RESOLVED FURTHER THAT** Mr Satishkumar A Mehta (DIN: 01827562), Managing Director of the Company be and is hereby severally authorised to do all such acts, deeds, matters and things and to take all such steps as may be considered necessary, proper or expedient to give effect to this resolution.

**4. Appointment of Mr. Amit R Pachori (DIN-10286605) as an Independent Director of the Company**

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

**"RESOLVED THAT** pursuant to recommendation of the Nomination and Remuneration Committee and approval of the Board of Directors and pursuant to the provisions of Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 ("the Act") and the Companies (Appointment and Qualification of Directors) Rules, 2014 read with Schedule IV to the Companies Act, 2013 (the "Act")(including any statutory modifications or re-enactments thereof for the time being in force) and Regulation 16(1)(b), 17 and other applicable provisions, if any, of Chapter IV of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), the Articles of Association of the Company and Nomination and Remuneration Policy of the Company, Mr. Amit R Pachori (DIN-10286605), who was appointed as an Additional Director on the Board of the Company with effect from August 23, 2023 pursuant to Section 161 of the Act and in respect of whom the Company has received a notice in writing under Section 160 of the Act from a member proposing his candidature for the office of Director, being so eligible, be and is hereby appointed as an Independent Director of the Company to hold the office for a term of five (5) years w.e.f. August 23, 2023 and that he will not be liable to retire by rotation.

**RESOLVED FURTHER THAT** approval of the Members be accorded to the Board of Directors (which term shall include its duly empowered Committee(s) constituted/to be constituted by it to exercise its powers including the powers conferred by this resolution) to do all such acts, deeds, matters and things and to take all such steps as may be required in this connection to give effect to this resolution and to settle any questions, difficulties or doubts that may arise in this regard and further to execute all necessary documents, applications, returns and writings as may be necessary, proper, desirable or expedient."

**5. To Approve Increase the Remuneration of Mr. Satishkumar Asamal Mehta Managing Director of the Company**

To consider and if thought fit, to pass with or without modification(s), the following resolution as a Special Resolution as per the Companies Act, 2013.

**"RESOLVED THAT** Pursuant to the provisions of Section 196, 197 and 203 read with Part II of Schedule V and other applicable provisions, if any, of the Companies Act, 2013 and Regulation 17(6)(e) of SEBI (LODR) (Amendment) Regulations, 2018 (including any statutory modification or re-enactment thereof), applicable clauses of the Articles of Association of the Company, pursuant to recommendation of Nomination and Remuneration



Committee, Audit Committee and the Board of Directors, consent of the members of the Company be and is hereby accorded for upward revision of managerial remuneration upto Rs. 2,00,000/- per month to Mr. Satishkumar Asamal Mehta, Managing Director of the Company w.e.f. September 01, 2023 till the remaining of duration of his tenure, provided that such variation or increase is within specified limit as prescribed under the relevant provisions of Section 196, 197 and Schedule V to the Companies Act, 2013 on the such terms and conditions of revision of remuneration as mentioned below

Sr. No.	Particulars	Mr. Satishkumar Asamal Mehta
1	Salary including all types of perquisites and allowances Upto Rs.2,00,000/-per month	

**RESOLVED FURTHER THAT** the other terms and conditions of appointment of Managing Director may be altered and varied from time to time by the Board in such manner as may be mutually agreed, subject to such approvals as may be required and within applicable limits of the Companies Act, 2013

**RESOLVED FURTHER THAT** the Board of Directors/Company Secretary of the Company be and is hereby authorized to take such steps and to do all such acts, deeds, matters and things as may be required to give effect to the foregoing resolution."

**6. To Approve Increase the Remuneration of Mr. Jayeshkumar Ashmal Mehta, Whole-time Director of the Company**

To consider and if thought fit, to pass with or without modification(s), the following resolution as a Special Resolution as per the Companies Act, 2013.

**"RESOLVED THAT** Pursuant to the provisions of Section 196, 197 and 203 read with Part II of Schedule V and other applicable provisions, if any, of the Companies Act, 2013 and Regulation 17(6)(e) of SEBI (LODR) (Amendment) Regulations, 2018 (including any statutory modification or re-enactment thereof), applicable clauses of the Articles of Association of the Company, pursuant to recommendation of Nomination and Remuneration Committee, Audit Committee and the Board of Directors, consent of the members of the Company be and is hereby accorded for upward revision of managerial remuneration upto Rs. 2,00,000/- per month to Mr. Jayeshkumar Ashmal Mehta, Whole time Director of the Company w.e.f. September 01, 2023 till the remaining of duration of his tenure, provided that such variation or increase is within specified limit as prescribed under the relevant provisions of Section 196, 197 and Schedule V to the Companies Act, 2013 on the such terms and conditions of revision of remuneration as mentioned below

Sr. No.	Particulars	Mr. Jayeshkumar Ashmal Mehta
1	Salary including all types of perquisites and allowances Upto Rs.2,00,000/-per month	

**RESOLVED FURTHER THAT** the other terms and conditions of appointment of Managing Director may be altered and varied from time to time by the Board in such manner as may be mutually agreed, subject to such approvals as may be required and within applicable limits of the Companies Act, 2013

**RESOLVED FURTHER THAT** the Board of Directors/Company Secretary of the Company be and is hereby authorized to take such steps and to do all such acts, deeds, matters and things as may be required to give effect to the foregoing resolution."

**Regd Office:**

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

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

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

Date:23/08/2023

Place: Santej

**NOTES**

- The Government of India, Ministry of Corporate Affairs has allowed conducting AGM through Video Conferencing (VC) or Other Audio Visual Means (OAVM) and dispensed the personal presence of the members at the meeting. Accordingly, the Ministry of Corporate Affairs issued Circular No. 14/2020 dated 8th April, 2020, Circular No. 17/2020 dated 13th April, 2020 and Circular No. 20/2020 dated 5th May, 2020 and Circular No. 02/2021 dated 13th January, 2021 and Circular No. 21/2021 dated 14th December, 2021 and 02/2022 dated 5th May 2022 ("MCA Circulars") and Circular No. SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated 15th January, 2021 and Circular No. SEBI/HO/DDHS/P/ CIR/2022/0063 dated 13th May, 2022 and SEBI/HO/CFD/POD2/P/ CIR/2023/4 dated January 05, 2023 (collectively referred to as "SEBI Circular") issued by the Securities Exchange Board of India prescribing the procedures and manner of conducting the AGM through VC/OVAM. In terms of the said circulars, the 16th AGM of the members will be held through VC/OAVM. Hence, members can attend and participate in the AGM through VC/OAVM only. The detailed procedure for participation in the meeting through VC/OAVM is as per note no. 21 and available at the Company's website [www.sdalloys.com](http://www.sdalloys.com).
- The attendance of the Members attending the AGM/ EGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013.
- Pursuant to the Circular No. 14/2020 dated April 08, 2020, issued by the Ministry of Corporate Affairs, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice. However, the Body Corporates are entitled to appoint authorized representatives to attend the AGM through VC/OAVM and participate thereat and cast their votes through e-voting.
- In line with the aforesaid Ministry of Corporate Affairs (MCA) Circulars and SEBI Circular dated May 12, 2020, the Notice of AGM along with Annual Report 2022-23 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/Depositories. Member may note that Notice and Annual Report 2022-23 has been uploaded on

the website of the Company at [www.sdalloys.com](http://www.sdalloys.com). The Notice can also be accessed from the websites of the Stock Exchanges i.e. National Stock Exchange of India Limited at [www.nseindia.com](http://www.nseindia.com) and the AGM Notice is also available on the website of CDSL (agency for providing the Remote e-Voting facility) i.e. [www.evotingindia.com](http://www.evotingindia.com).

5. The helpline number regarding any query / assistance for participation in the AGM through VC/ OAVM is 1800225533.
6. In compliance with the aforesaid MCA Circulars and Securities and Exchange Board of India (SEBI) Circular No. SEBI/HO/CFD/PoD-2/P/ CIR/2023/4 dated January 05, 2023, notice of the AGM along with Annual Report for the financial year 2022-23 is being sent only through electronic mode to those members whose e-mail addresses are registered with the Company/ Depository Participants, unless any member has requested for a physical copy of the same. Members may note that the notice and the Annual Report for the financial year 2022-23 will also be available on the Company's website at '[www.sdalloys.com](http://www.sdalloys.com)' and on the website of the Stock Exchange i.e. NSE Limited at '[www.nseindia.com](http://www.nseindia.com)' and on the website of CDSL: '[www.evotingindia.com](http://www.evotingindia.com)'.
7. Information regarding appointment/re-appointment of Director(s) and Explanatory Statement in respect of special businesses to be transacted pursuant to Section 102 of the Companies Act, 2013 and/or Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is annexed hereto.
8. In terms of the provisions of Section 152 of the Act, Mr. Jayesh A Mehta retires by rotation as a Director at this Meeting. Mr. Mr. Jayesh A Mehta and his relatives shall be deemed to be interested in the Ordinary Resolution set out at Item No.2 of the Notice of AGM with regard to his re-appointment. Save and except above, none of the Directors/Key Managerial Personnel of the Company/their relatives are, in anyway, concerned or interested, financially or otherwise, in the Ordinary Business set out at Item No. 2 of the Notice of AGM.
9. The Register of members and share transfer books of the Company will remain closed from Friday, 22nd September, 2023 to Thursday, 28st September, 2023 (both days inclusive) for the purpose of Annual General Meeting.
10. Members seeking any information with regard to accounts are requested to write to the Company at least 10 days before the meeting so as to enable the management to keep the information ready.
11. Members holding the shares in physical mode are requested to notify immediately the change of their address and bank particulars to the R & T Agent of the Company. In case shares are held in dematerialized form, the information regarding change of address and bank particulars should be given to their respective Depository Participant.
12. In terms of Section 72 of the Act, nomination facility is available to individual Members holding shares in the physical mode. The Members, who are desirous of availing this facility, may kindly write to Company's R & T Agent for nomination form by quoting their folio number.
13. In accordance with the Secretarial Standard-2 on General Meetings issued by the Institute of Company Secretaries of

India ("ICSI") read with Clarification / Guidance on applicability of Secretarial Standards - 1 and 2 dated April 15, 2020 issued by the ICSI, the proceedings of the AGM shall be deemed to be conducted at the Registered Office of the Company which shall be the deemed venue of the AGM.

14. Pursuant to the provisions of Section 113 of the Act, Body Corporates/ Institutional / Corporate members intending for their authorized representatives to attend the meeting are requested to send to the Company, on [www.sdalloys.com](http://www.sdalloys.com) from their registered Email ID a scanned copy (PDF / JPG format) of certified copy of the Board Resolution /Authority Letter authorizing their representative to attend and vote on their behalf at the meeting
15. The Register of Directors' and Key Managerial Personnel and their shareholding maintained under Section 170 of the Act, the Register of contracts or arrangements in which the Directors are interested under Section 189 of the Act and all other documents referred to in the Notice will be available for inspection in electronic mode.
16. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC / OAVM will be made available for 1,000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
17. Since the AGM will be held through VC / OAVM, the Route Map is not annexed in this Notice.
- 18. PROCESS AND MANNER FOR MEMBERS OPTING FOR VOTING THROUGH ELECTRONIC MEANS:**
  - i. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and the General Circulars issued by the Ministry of Corporate Affairs dated 8th April, 2020, 13th April, 2020, 5th May, 2020, 13th January, 2021, 14th December, 2021 and 5th May 2022, and General Circular No 11/2022 dated December 28, 2022 issued by the Ministry of Corporate Affairs, Government of India (hereinafter collectively referred to as "MCA Circulars") and other applicable laws, rules, circulars, regulations and notifications issued thereunder (including any statutory modification or re-enactment thereof, for the time being in force) the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL), as the Authorised e-voting agency for facilitating voting through electronic means. The facility of casting votes by a Member using remote e-voting as well as e-voting system on the date of the AGM will be provided by CDSL.
  - ii. Members whose names are recorded in the Register of Members or in the Register of Beneficial Owners



maintained by the Depositories as on the Cut-off date i.e. Thursday, 21st September, 2023, shall be entitled to avail the facility of remote e-voting as well as e-voting system on the date of the AGM. Any recipient of the Notice, who has no voting rights as on the Cut-off date, shall treat this Notice as intimation only.

- iii. A person who has acquired the shares and has become a Member of the Company after the dispatch of the Notice of the AGM and prior to the Cut-off date i.e. Thursday, 21st September, 2023, shall be entitled to exercise his/her vote either electronically i.e. remote e-voting or venue voting system on the date of the AGM by following the procedure mentioned in this part.
- iv. The remote e-voting will commence on Monday, 25th September, 2023 at 9.00 a.m. and will end on Wednesday, 27th September, 2023 at 5.00 p.m. During this period, the Members of the Company holding shares either in physical form or in Demat form as on the Cut-off date i.e. Thursday, 21st September, 2023 may cast their vote electronically. The Members will not be able to cast their vote electronically beyond the date and time mentioned above and the remote e-voting module shall be disabled for voting by CDSL thereafter.
- v. Once the vote on a resolution is cast by the member, he/she shall not be allowed to change it subsequently or cast the vote again.
- vi. The voting rights of the Members shall be in proportion to their share in the paid-up equity share capital of the Company as on the Cutoff date i.e. Thursday, 21st September, 2023.
- vii. The Company has appointed CS Devesh Khandelwal, Practising Company Secretary (Membership No. FCS: 6897; CP No: 4202), to act as the Scrutinizer for conducting the remote e-voting process as well as the e-voting system on the date of the AGM, in a fair and transparent manner.

#### **19. PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL ADDRESSES ARE NOT REGISTERED WITH THE DEPOSITORIES FOR OBTAINING LOGIN CREDENTIALS FOR E-VOTING FOR THE RESOLUTIONS PROPOSED IN THIS NOTICE:**

1. For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to secretary@sdalloys.com.
2. For Demat shareholders -, please provide Demat account details (CDSL-16 digit beneficiary ID or NSDL-16 digit DPID + CLID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to secretary@sdalloys.com.

#### **20. THE INTRUCTIONS OF SHAREHOLDERS FOR REMOTEE-VOTING ARE AS UNDER:**

- i. The voting period begins on Monday, 25th September, 2023 at 9.00 a.m. and will end on Wednesday, 28th September, 2023 at 5.00 p.m. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized

form, as on the cut-off date Thursday, 21st September, 2023 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter

- ii. Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting.
- iii. Pursuant to SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09.12.2020, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.

Currently, there are multiple e-voting service providers (ESPs) providing e-voting facility to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the shareholders.

In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting to all the demat account holders, by way of a single login credential, through their demat accounts/websites of Depositories/Depository Participants. Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.

#### **Step 1: Access through Depositories CDSL/ NSDL e-Voting system in case of individual shareholders holding shares in demat mode**

- iv. In terms of SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

**The Scrutinizer shall, after the conclusion of voting at the AGM, unblock the votes cast through remote e-Voting and count the same, and count the votes cast during the AGM, and shall make not later than 48 hours from 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 a person authorised by him in writing, who shall countersign the same and declare the result of the voting forthwith. The Scrutinizer's decision on the validity of the votes shall be final.**

**The results declared along with the Scrutinizer's Report shall be placed on the Company's Website www.sdalloys.com and on the website of CDSL within two days of the passing of the Resolutions at the 8th Annual General Meeting of the Company and shall also be communicated to the Stock Exchanges where the shares of the Company are listed.**

**Pursuant to above said SEBI Circular, Login method for e-Voting and joining virtual meetings for Individual shareholders holding securities in Demat mode is given below:**

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with <b>CDSL</b>	<ol style="list-style-type: none"> <li>1. Users of who have opted for CDSL's Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The URLs for users to login to Easi/Easiest are <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on Login icon and select New System Myeasi.</li> <li>2. After successful login the Easi/Easiest user will be able to see the e-Voting Menu. On clicking the e-voting menu, the user will be able to see his/her holdings along with links of the respective e-Voting service provider i.e. CDSL/NSDL/KARVY/LINK INTIME as per information provided by Issuer/ Company. Additionally, we are providing links to e-Voting Service Providers, so that the user can visit the e-Voting service providers' site directly.</li> <li>3. If the user is not registered for Easi/Easiest, option to register is available at <a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistration">https://web.cdslindia.com/myeasi/Registration/EasiRegistration</a>.</li> <li>4. Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a link in <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the Demat Account. After successful authentication, user will be provided links for the respective ESP where the e-Voting is in progress during or before the AGM.</li> </ol>
Individual Shareholders holding securities in demat mode with <b>NSDL</b>	<ol style="list-style-type: none"> <li>1. If the user is not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a>. Select "Register Online for IDeAS "Portal or click at <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a>.</li> <li>2. If the user is not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a>. Select "Register Online for IDeAS "Portal or click at <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a>.</li> <li>3. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsdl.com/">https://www.evoting.nsdl.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number 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 &amp; voting during the meeting.</li> </ol>
Individual Shareholders (holding securities in demat mode) login through their <b>Depository Participants</b>	<ol style="list-style-type: none"> <li>1. You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After successful 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's website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> </ol>

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

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

Login type	Helpdesk details
Individual Shareholders holding securities in Demat mode with <b>CDSL</b>	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at 1800 22 55 33.
Individual Shareholders holding securities in Demat mode with <b>NSDL</b>	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at toll free no.: 1800 1020 990 and 1800 22 44 30

**Step 2: Access through CDSL e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.**

- v. Login method for e-Voting and joining virtual meeting for shareholders other than individual shareholders & physical shareholders
  - 1) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).

- 2) Click on Shareholders
- 3) Now Enter your User ID
  - a. For CDSL: 16 digits beneficiary ID,
  - b. For NSDL: 8 Character DP ID Followed by 8 Digits Client ID,
  - c. Members holding shares in Physical form should enter Folio Number registered with the Company
- 4) Next enter the Image Verification as displayed and Click on Login
- 5) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used
- 6) If you are a first-time user follow the steps given below:

	<b>For Shareholders holding shares in Demat Form other than individual and Physical Form</b>
PAN	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) Members who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number which is printed on Attendance Slip indicated in the PAN field.
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).

- vi. After entering these details appropriately, click on "SUBMIT" tab.
- vii. Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- viii. For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- ix. Click on the EVSN of the Company.
- x. On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- xi. Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details
- xii. After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- xiii. Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- xiv. You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- xv. If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system
- xvi. Shareholders can also cast their vote using CDSL's mobile app m-Voting. The m-Voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting through your mobile.
- xvii. Note for Non – Individual Shareholders and Custodians
  - Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves in the "Corporates" module.
  - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com)
  - After receiving the login details, user would be able to link the account(s) for which they wish to vote on.
  - The list of accounts linked in the login should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
  - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
  - Alternatively, Non-Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company, if voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.
  - In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at

www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com or call 1800 22 55 33.

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Manager, Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call 1800 22 55 33.

**21. The instructions for shareholders voting on the day of the AGM on e-voting system are as under: -**

- a. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
- b. Only those Members/ shareholders, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available in the AGM.
- c. If any Votes are casted by the members through the e-voting available during the AGM and if the same members have not participated in the meeting through VC/OAVM facility, then the votes casted by such members shall be considered invalid as the facility of e-voting during the meeting is available only to the members participating in the meeting.
- d. Members who have voted through remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.

**22. INSTRUCTION FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER: -**

1. The procedure for attending meeting & e-Voting on the day of the AGM/EGM is same as the instructions mentioned above for Remote e-voting.
2. The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for Remote e-voting.
3. Member will be provided with a facility to attend the EGM/AGM through VC/OAVM through the CDSL e-Voting system. Members may access the same at <https://www.evotingindia.com> under shareholders/members login by using the remote e-voting credentials. The link for VC/OAVM will be available in shareholder/members login where the EVSN of Company will be displayed.

4. Members are encouraged to join the Meeting through Laptops for better experience.
5. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
6. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
7. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker may send their request in advance at least 7 days before AGM mentioning their name, demat account number/folio number, email id, mobile number at secretary@sdalloys.com
8. Shareholders who would like to express their views/have questions may send their questions in advance at least 7 days before AGM mentioning their name demat account number/folio number, email id, mobile number at secretary@sdalloys.com. The same will be replied by the company suitably
9. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.

**Contact Details**

**Company:** SAGARDEEP ALLOYS LIMITED

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

**CIN:** L51100GJ1993PLC019067

**E-mail:** secreatry@sdallys.com

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

**e-Voting Agency:** Central Depository Services (India) Limited

**E-mail:** helpdesk.evoting@cdslindia.com

**Phone:** 1800 22 55 33

**Scrutinizer:** CS Devesh Khandelwal Practicing Company Secretary (FCS: 6897 and COP: 4202)

**E-mail :** info@csdevesh.com



## EXPLANATORY STATEMENT

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

### Item No. 3:

Mr. Hemendrabhai Bhailal Patel (DIN: 01827562) who was the Non-Executive Independent Director of the Company was appointed in the Board on 28.08.2015 for the term of 5 years in compliance with the requirement of SEBI (LODR) Regulations, 2015 and the Companies Act, 2013. On completion of his first term of 5 years, the Company has re-appointed him as Non-Executive Independent Director for second term of 5 years and his term of office is upto 27.08.2025.

The Company is under process of execution of some business transaction with Sigma Lasertech Private Limited in which Mr. Hemendrabhai Bhailal Patel (DIN: 01827562) is one of the Director and therefore pursuant to provisions of section 149 of the Companies Act, 2013 he ceases the status of Independent Director of the Company and hence Mr. Hemendrabhai Bhailal Patel (DIN: 01827562) is proposed to be re-designated from Non-Executive Independent Director to Non-Executive Non-Independent Director effective from August 23, 2023, on the recommendation of Nomination and Remuneration Committee. His term of office as Non-Executive Non-Independent Director shall be liable to retire by rotation.

Mr. Hemendrabhai Bhailal Patel (DIN: 01827562) has served on the Board as an Independent Director for a substantial period and has demonstrated a deep understanding of the Company's operations, objectives, and strategies and contributed to the growth and development of the Company during his tenure as an Independent Director.

Therefore, the Board of your Company believes that the re-designation of the Director's status from Independent Director to Non-Independent Director will allow the Director to actively participate in various executive and strategic decisions, leveraging their expertise for the Company's benefit. The Company has already received the consent from Mr. Hemendrabhai Bhailal Patel (DIN: 01827562) to re-designate him from Independent director to Non-Independent Director.

Except Mr. Hemendrabhai Bhailal Patel (DIN: 01827562) whom this resolution relates alongwith and his relatives (to the extent of their shareholding, if any), none of the other Directors and Key Managerial Personnel of the Company or their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution.

A brief profile of Mr. Hemendrabhai Bhailal Patel is provided in **Annexure A** pursuant to the provisions of (i) the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and (ii) Secretarial Standard on General Meetings ("SS-2"), issued by the Institute of Company Secretaries of India.

### Item No. 4:

Based on the recommendations of the Nomination and Remuneration Committee ("NRC"), the Board of Directors of the Company (the "Board") at its meeting held on August 23, 2023 had appointed Mr. Amit R Pachori as an Additional Director (Non-Executive and Independent Director) of the Company pursuant to the provisions of Section 161 of the Companies Act, 2013 (the "Act") and Regulations 16(1)(b), 17 and other applicable provisions, if any, of Chapter IV of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, (the "SEBI Listing Regulations") including any statutory modification(s) or re-enactment(s) thereof, for the time being in force and Articles of Association of the Company for a period of 5 (five) consecutive years with effect from August 23, 2023, subject to the approval of the Members of the Company.

In accordance with the provisions of Section 149 read with Schedule IV to the Act, appointment of Independent Directors requires approval of the members of the Company. Further pursuant to Regulation 17(1C) of the SEBI Listing Regulations, effective from January 01, 2022, a listed entity shall ensure that approval of Members for appointment of a person in the Board of Directors is obtain at the next general meeting or within a time period of three months from the date of appointment, whichever is earlier. Accordingly, the appointment of Mr. Amit R Pachori would require approval of members of the Company on or before the ensuing Annual General Meeting.

As required under Section 160 of the Act, the Company has received a notice in writing from a member signifying the intention to propose the appointment of Mr. Amit R Pachori as a Director. Mr. Amit R Pachori has given a declaration to the Board that he meets the criteria of Independence as provided under Section 149(6) of the Act and Regulation 16(1)(b) of the SEBI Listing Regulations.

In the opinion of the Board of Directors, Mr. Amit R Pachori fulfills the criteria as specified in the Act, rules made there under and SEBI Listing Regulations for appointment as an Independent Director and he is not related to any of the other Directors or Key Managerial Personnel of the Company in any way and he is independent of management.

Mr. Amit R Pachori has given his consent to act as the Director of the Company. Also, as per the confirmations received from him, he is not disqualified from being appointed as Director in terms of Section 164 of the Act. Mr. Amit R Pachori has Confirm that he is in compliance with Rules 6(1) and 6(2) of the Companies (Appointment and Qualification of Directors) Rules, 2014, with respect to his registration with the data bank of Independent Directors maintained by the Indian Institute of Corporate Affairs.

As per the provision of Section 149(13) of the Act read with explanation to Section 152(6) of the Act, the period of office of Mr. Amit R Pachori will not be liable to determination by retirement of directors by rotation.



## SAGARDEEP ALLOYS LIMITED

The NRC has reviewed the capabilities of Mr. Amit R Pachori vis-a-vis the role and capabilities required as decided by the NRC based on the evaluation of balance of skills, knowledge and experience of the existing Board and considered appropriate, to recommend the appointment of Mr. Amit R Pachori as an Independent Director, for a term of 5 (five) consecutive years effective from August 23, 2023.

In the opinion of NRC and the Board Mr. Amit R Pachori possesses appropriate skills, knowledge and expertise required for the efficient functioning of the Company more particularly in the areas of finance and business administration.

Disclosure under Regulation 36(3) of the SEBI Listing Regulations and Secretarial Standard-2 issued by the Institute of Company Secretaries of India pertaining of his qualification, brief resume, area of expertise and other details are set out in the Annexure attached to this Notice.

Accordingly, the Board recommends the Resolution as set out in the accompanying Notice in relation to appointment of Mr. Amit R Pachori as an Independent Director, not liable to retire by rotation, for a period of 5 (five) consecutive years with effect from August 23, 2023, for approval of the Members on the terms and conditions as specified in the draft letter of appointment.

Copy of draft letter of appointment of Mr. Amit R Pachori setting out the terms and conditions of appointment is available for inspection by the Members electronically. Members seeking to inspect the same can send a request on [secretary@sdalloys.com](mailto:secretary@sdalloys.com).

The Board commends the resolution as set out in the Notice for approval of the members as Special Resolution.

Except Mr. Amit R Pachori whom this resolution relates alongwith and his relatives (to the extent of their shareholding, if any), none of the other Directors and Key Managerial Personnel of the Company or their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution.

### Item 5:

Your Board of Directors wish to inform you the Company has made good progress under leadership of Mr. Satishkumar A Mehta and that by considering his contribution and skill and recommendation of Nomination and Remuneration Committee, the Board at its Meeting held on August 23, 2023 approved to increase the remuneration including all types of perquisites and allowances upto Rs.2,00,000 per month of **Mr. Satishkumar A Mehta, Managing Director** with effect from September 01, 2023 till the remaining of duration of his tenure on the terms and condition enumerated in the resolution

Reference to the provision of Section 196, 197 and 203 of the Companies act, 2013, read with schedule V to the Companies act 2013 along with the Ministry of Corporate Affairs (MCA) through its notification dated 12 September, 2018 notified provisions of the Companies (Amendment) Act, 2017 (Amendment Act, 2017) and amended schedule V of Companies Act, 2013, provides for payment of managerial remuneration by Companies, requires member's approval for payment of managerial remuneration to the managerial person for period of not exceeding 3 years by way of Ordinary Resolution. Hence the Board recommends the resolution for member approval by way of Ordinary Resolution, provided that such variation or increase in remuneration is within specified limit as specified under the relevant provisions of Section 196, 197 and Schedule V to the Companies Act, 2013 pursuant to notification issued by Ministry of Corporate Affairs (MCA) dated September 12, 2018.

### Pursuant to clause (iv) of section II of schedule V of the companies act, 2013 the following statement is given:

a)	Nature of industry	Manufacturing and Trading of Copper and Copper Alloys Products.		
b)	Date or expected date of commencement of commercial production	The Company is already in existence and it started of commercial production its activities since 2008.		
c)	In case of new companies expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus	NA		
d)	Financial Performance based on given indicators	<b>Financial Parameters</b>	<b>2021-22 (In Rs)</b>	<b>2022-23 (In Rs)</b>
		Total revenue	90,87,21,000	<b>87,57,84,000</b>
		Net profit after tax	47,18,000	<b>53,56,000</b>
e)	Foreign Investments or collaborations, if any.	Not Applicable		

### II. Information about the appointees:

Sr. no.	Particulars	Mr. Satishkumar Asamal Mehta
a)	Background details	Mr. Satishkumar A. Mehta is graduate in Commerce however he is having deep knowledge and vast experience of more than 20 years in Administration, Accounts and Finance He looks after the Company's overall management and administration.
b)	Past Remuneration	Rs.9,00,000/- p.a.
c)	Recognition or Awards	None

d)	Job profile and her suitability	He is having more than 20 years' experience in management and Administration. He also has wide experience as Managing Director.  He gained much experience in Administration, Accounts and Finance and He looks after the Company's overall management and administration.
e)	Remuneration Proposed	Upto Rs.2,00,000/- Per month including all perquisites and allowances
f)	Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of his origin)	The remuneration as proposed of Mr. Satishkumar Asamal Mehta is well below as per the prevalent levels of remuneration in manufacturing industry in which our Company is engaged. Taking into consideration his involvement, responsibility and contribution being made by Mr. Satishkumar Asamal Mehta, the proposed remuneration is reasonable and in line with remuneration levels in the industry across the Country. Mr. Satishkumar Asamal Mehta devotes his full time in overseeing the operations of the Company.
g)	Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel, if any.	Mr. Satishkumar A. Mehta and Mr. Jayeshkumar A. Mehta are brothers

### III. Other Information:

Reason of loss or inadequate profits	The Company is striving hard to earn sufficient profits however due to current market situation and high operating expenses, the company is unable to earn adequate profits.
Steps taken or proposed to be taken for improvement	Management has taken various steps to reduce the operative expenses and improving area wise sales to increase then revenue of the company.
Expected increase in productivity and profits in measurable terms.	2%- 3% in first two years 3%-5% in next two years

#### Item 6:

Your Board of Directors wish to inform you the in supervision and Directions of Mr. Jayeshkumar Ashmal Mehta, the company has made good progress and he is entrusted with supervision of sales and marketing and that by considering his contribution and skill and recommendation of Nomination and Remuneration Committee, the Board at its Meeting held on August 23, 2023 approved to increase the remuneration including all types of perquisites and allowances upto Rs.2,00,000 per month of **Mr. Jayeshkumar Ashmal Mehta, Whole time Director** with effect from September 01, 2023 till the remaining of duration of his tenure on the terms and condition enumerated in the resolution

Reference to the provision of Section 196, 197 and 203 of the Companies act, 2013, read with schedule V to the Companies act 2013 along with the Ministry of Corporate Affairs (MCA) through its notification dated 12 September, 2018 notified provisions of the Companies (Amendment) Act, 2017 (Amendment Act, 2017) and amended schedule V of Companies Act, 2013, provides for payment of managerial remuneration by Companies, requires member's approval for payment of managerial remuneration to the managerial person for period of not exceeding 3 years by way of Ordinary Resolution. Hence the Board recommends the resolution for member approval by way of Ordinary Resolution, provided that such variation or increase in remuneration is within specified limit as specified under the relevant provisions of Section 196, 197 and Schedule V to the Companies Act, 2013 pursuant to notification issued by Ministry of Corporate Affairs (MCA) dated September 12, 2018.

**Pursuant to clause (iv) of section II of schedule V of the companies act, 2013 the following statement is given:**

a)	Nature of industry	Manufacturing and Trading of Copper and Copper Alloys Products.		
b)	Date or expected date of commencement of commercial production	The Company is already in existence and it started of commercial production its activities since 2008.		
c)	In case of new companies expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus	NA		
d)	Financial Performance based on given indicators	<b>Financial Parameters</b>	<b>2021-22 (In Rs)</b>	<b>2022-23 (In Rs)</b>
		Total revenue	90,87,21,000	<b>87,57,84,000</b>
		Net profit after tax	47,18,000	<b>53,56,000</b>
e)	Foreign Investments or collaborations, if any.	Not Applicable		

**II. Information about the appointees:**

Sr. no.	Particulars	Mr. Jayeshkumar Ashmal Mehta
a)	Background details	Mr. Jayeshkumar Ashmal Mehta is HSC cleared however he is having deep knowledge and vast experience of more than 15 years in Sales and Marketing. He looks after the Company's Sales and Marketing.
b)	Past Remuneration	Rs.9,00,000/- p.a.
c)	Recognition or Awards	None
d)	Job profile and her suitability	He is having more than 15 years' experience in Sales and Marketing. He also has wide experience as Whole Time Director
e)	Remuneration Proposed	Upto Rs.2,00,000/- Per month including all perquisites and allowances
f)	Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of his origin)	The remuneration as proposed of Mr. Jayeshkumar Ashmal Mehta is well below as per the prevalent levels of remuneration in manufacturing industry in which our Company is engaged. Taking into consideration his involvement, responsibility and contribution being made by Mr. Jayeshkumar Ashmal Mehta, the proposed remuneration is reasonable and in line with remuneration levels in the industry across the Country. Mr. Jayeshkumar Ashmal Mehta devotes his full time in overseeing the operations of the Company.
g)	Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel, if any.	Mr. Jayeshkumar A. Mehta and Mr. Satishkumar A. Mehta are brothers

**III. Other Information:**

Reason of loss or inadequate profits	The Company is striving hard to earn sufficient profits however due to current market situation and high operating expenses, the company is unable to earn adequate profits.
Steps taken or proposed to be taken for improvement	Management has taken various steps to reduce the operative expenses and improving area wise sales to increase then revenue of the company.
Expected increase in productivity and profits in measurable terms.	2%- 3% in first two years 3%-5% in next two years

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

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

Name of Director	AMIT R PACHORI	JAYESH A MEHTA	PATEL HEMENDRABHAI BHAILAL
DIN	10286605	02156140	01827562
Date of Birth	10/06/1982	03/08/1979	06/05/1970
Date of Appointment	23/08/2023	05/05/2008	28/08/2015
Relationship Between Directors inter se	NA	Brother of Mr. Satish A Mehta	NA
Expertise in Specific functional area	Sales & Marketing	Sales & Marketing	Mechanical Engineering
Qualification	Commerce Graduate	HSC	Diploma in Mechanical Engineering
Other Board Membership*	0	0	0
Committee Membership in other public companies	0	0	0
Number of Shares held in the Company	NA	26,27,250 equity shares	NA

\*Pvt. Companies excluded

**Regd Office:**

Plot No. 2070 , Rajnagar Atiya ,  
Santej Khatri Road ,  
Santej Kalol,  
Gandhinagar -382721

Date:23/08/2023

Place: Santej

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

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

## DIRECTOR'S REPORT

### Dear Members,

Your Directors take pleasure in presenting the 16th Annual Report along with Audited Financial Statements of your Company for the financial year ended 31st March, 2023.

### 1. Financial highlights

The financial highlights for the year 2022-23 are as under:

#### Standalone (in lakhs)

Particulars for the year ended	March 31, 2023	March 31, 2022
Net revenue from Operations (Sales)	8707.84	9067.84
Profit Before Depreciation and Tax	146.37	153.14
Less: Depreciation	71.51	77.06
Profit Before Tax	74.86	76.08
Less: Tax Expense	21.30	28.90
Profit After Tax	53.56	47.18
EPS (Basic)	0.31	0.28
EPS (Diluted)	0.31	0.28

#### Consolidated (in Lakhs)

Particulars for the year ended	March 31, 2023	March 31, 2022
Net revenue from Operations (Sales)	8707.84	9067.84
Profit Before Depreciation and Tax	150.46	160.35
Less: Depreciation	73.14	78.98
Profit Before Tax	77.32	81.38
Less: Tax Expense	22.33	35.13
Profit After Tax	54.99	46.23
EPS (Basic)	0.32	0.27
EPS (Diluted)	0.32	0.27

### 2. STATE OF COMPANY AFFAIRS:

During the year under review, your Company has achieved a total net sale of Rs.8707.84 lakhs and Net Profit after Tax (NP) of Rs. 53.56lakhs. There is decrease in sales but the profit after tax of the company has been increased during the current year in comparison to that of previous year. However, your directors are optimistic about the performance of the Company in the coming years.

### 3. Dividend

Your Director feel that it is prudent to plough back the profits of the Company for future growth of the Company and therefore do not recommend any dividend for the year ended March 31st, 2023.

### 4. Transfer of Unclaimed Dividend to Investor Education and Protection Fund

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

### 5. Change in the nature of business, if any-

There is no change in the nature of business carried out by the Company in the Year 2022-2023. Further, in the year 2022-23,

the management of the Company discontinued the Commercial Production of copper sulphate owing to less margin and low demand of the said products. It is further to be noted that all required approval from the Gujarat Pollution Control Board (GPCB) are taken by the Owner of the Land and requisite approvals from GPCB are issued for the factory premises and is not in the name of the Company. The Company has cancelled the lease Agreement for the factory premises situated at Plot No. 3529, Phase - IV, G.I.D.C, Chhatral, Tal: Kalol, Dist: Gandhinagar, Gujarat to establish the manufacturing facility of copper sulphate and necessary process of cancellation and/or alteration of GPCB approval will be carried out by the land owner of the said premises. Further, the Company has initiated the process to sell the acquired. plant and machinery for this product.

### 6. Reserves

The Board of Directors has decided to retain the entire amount of profit in the profit and loss account. Accordingly, the Company has not transferred any amount to the 'Reserves' for the year ended March 31, 2023.

### 7. Subsidiary, Joint Ventures and Associate Companies

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

### 8. Consolidated Financial Statement

The Financial Statement of the Company for the Financial year 2022-23 are prepared in compliance with the applicable provisions of the Act, Accounting Standards and as prescribed by Securities and Exchange Board of India (SEBI) under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Consolidated Financial Statement has been prepared on the basis of the audited financial statement of the Company as approved by their respective Board of Directors. Pursuant to the provisions of Section 136 of the Act, the Financial Statements of the Company, the Consolidated Financial Statements along with all relevant documents and Auditors report thereon form part of this Annual Report.

### 9. Public Deposit

The Company has not accepted or renewed any amount falling within the purview of provisions of Section 73 of the Companies Act, 2013 ("the Act") read with the Companies (Acceptance of Deposit) Rules, 2014 during the period under review. Hence, the requirement for furnishing the details of deposits which are not in compliance with Chapter V of the Act is not applicable.

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

During the year, the Company has not given any guarantee or provided security in connection with the loan to any other body corporate or person or made any investments falling under the purview of provisions of section 186 of the Companies Act, 2013.

## 11. Extract of the annual return

Pursuant to Section 92(3) read with section 134(3)(a) of the Companies Act, 2013, copies of the Annual Returns of the Company prepared in accordance with Section 92(1) of the Act read with Rule 11 of the Companies (Management and Administration) Rules, 2014 are placed on the website of the Company [www.sdalloys.com](http://www.sdalloys.com)

## 12. Directors & Key Management Personnel

### I. Composition of Board & Board Meetings

The Board of Directors of the Company has an optimum combination of Executive, Non-Executive and Independent Directors. As on the date of this report, the Board comprises of 6(Six) Directors, out of which 2 are Executive Directors, 1 is Non-executive Director and 3 are Non-Executive Independent Directors that includes one Woman Director. The Chairman of the Board is an executive Director.

The Board of Directors duly met 7 (Seven) times on 01/04/2022, 24/05/2022, 30/06/2022, 10/08/2022, 30/09/2022, 11/11/2022 and 02/02/2023 during the year. The Composition, category and attendance of each Director at the Board and Annual General Meeting of each Director in various companies is as follows: -

Name of Director, Designation and Category	No of Board Meetings held during the year	No of Board Meetings attended during the year	Attendance at the AGM
Mr. Satishkumar A Mehta Chairman & Managing Director Promoter	7	7	Yes
Mr. Jayeshkumar A Mehta Whole Time Director Promoter	7	7	Yes
Mr. Hemendra B Patel *	7	5	Yes
Mrs. Vinita P Maheshwari Non-Executive Director Independent	7	6	Yes
Mr. Jitendra D Patel ^	7	1	No
Mr. Parimal Patwa **	7	7	Yes

Name of Director, Designation and Category	No of Board Meetings held during the year	No of Board Meetings attended during the year	Attendance at the AGM
Mr. Manan Gajjar # Non-Executive Director Independent	7	4	Yes
Mr. Amit R. Pachori ## Non-Executive Director Independent	0	0	No

^ Mr. Jitendra D Patel Non-Executive Director

Independent ceased to be director from 22/05/2022

# Mr. Manan Gajjar has appointed as an additional Independent director w.e.f 30.06.2022.

## Mr. Amit R. Pachori has appointed as an Additional Director under Independent category w.e.f 23.08.2023

\* Mr. Hemendra B Patel has been redesignated as Non-Executive Non-Independent director effective from 23.08.2023

\*\* Mr. Parimal Patwa has been resigned as Non-Executive Non-Independent Director effective from 23.08.2023

## II. INDUCTIONS

### The following appointments were made

During the year, Ms. Ami Doshi was appointed as Company Secretary and Compliance Officer w.e.f April 01, 2022 and she resigned from the post of Company Secretary and Compliance Officer w.e.f. September 30, 2022 thereafter on the recommendation of Nomination and Remuneration Committee, the Board has appointed Ms. Anuja Jain as a Company Secretary & Compliance Officer of the Company w.e.f November 11, 2022.

During the year, Mr. Jayeshkumar A. Mehta was appointed as Chief financial Officer of the company w.e.f. September 30, 2022 to fill the casual vacancy caused due to resignation of Mr. Vismay Shah as CFO w.e.f. 30/09/2022

Mr. Manan Gajjar has been appointed as an additional director under independent category w.e.f 30/06/2022 and his appointment was regularized by shareholders of the Company at 15th Annual General Meeting held on 22nd September, 2022.

After the end of Financial Year 2022-23

- Mr. Amit R. Pachori has been appointed as an Additional director under independent category w.e.f 23/08/2023 subject to approval of shareholders in the ensuing Annual General Meeting and
- Mr. Hemendra B Patel has been redesignated as Non-Executive Non-Independent Director from Non-Executive Independent director subject to approval of shareholders in the ensuing Annual General Meeting.



**III. REAPPOINTMENT:**

There were no re-appointment of any Director / KMP During the year.

**IV. CESSATIONS:**

During the year, the following directors/ key managerial personnel resigned from their office:

Mr. Jitendra D Patel as Non-executive Independent Director of the company effective from 22/05/2022. Tenure of Mr. Jitendrakumar Dhanjibhai Patel, as an Independent Director of the Company was completed on 22nd February, 2022. The Board in their meeting held on 09th February, 2022 decided and re-appointed him as Independent Director for second consecutive term of 5 years effective from 22nd February, 2022, subject to shareholders' approval. In terms of Regulation 17(1)(c) of SEBI LODR Regulations, 2015 the Company should obtain the shareholders' approval for re-appointment of Independent Director in the next general meeting or within 3 months from the date of appointment, whichever is earlier and therefore the re-appointment of Mr. Jitendrakumar Dhanjibhai Patel as Independent Director should have been confirmed by the shareholders of the Company on or before 22nd May, 2022 and as the Company failed to call the shareholders meeting for such re-appointment within the stipulated time period as provided under Regulation 17(1)(c) of SEBI LODR Regulations, 2015, the re-appointment of Mr. Jitendra kumar Dhanjibhai Patel as Independent Director ceases w.e.f. 22nd May, 2022 and his cessation has been considered as retirement from the board.

- Ms. Ami Joshi resigned as a company secretary and compliance officer of the company effective from September 30, 2022.
- Mr. Vismay Shah resigned as Chief Financial officer of the company effective from 30/09/2022.

After the end of Financial Year 2022-23

- Mr. Suryakant Parimal Patwa has been resigned from the office of Non Executive Non independent director of the company effective from 23.08.2023

**V. Retirement by Rotation**

In accordance with the provisions of the Companies Act 2013 and Companies Articles of Association, Mr. Jayesh A Mehta (DIN: 02156140) retires by rotation at the ensuing Annual General Meeting and being eligible offers himself for re-appointment. The Board recommends his re-appointment. Necessary resolution for his re-appointment is placed before the shareholder for approval.

**VI. Familiarizations Programme of Independent Directors**

Pursuant to the requirements of the Listing Regulations, all the Independent Directors are familiarised with the operations and functioning of the Company at the time of their appointment and further the Company has put in place framework for a structured induction and familiarisation programmes for all its Directors, including the Independent Directors on an ongoing basis to familiarise them with the business and operations of the

Company, new initiatives, regulatory updates, nature of the industry in which the Company operates, their roles, rights, duties and responsibilities vis-a-vis the Company, etc.

The Independent Directors have been updated with their roles, rights and responsibilities in the Company by specifying them in their appointment letter along with necessary documents, reports and internal policies to enable them to familiarize with the Company's procedures and practices. The Independent Directors regularly visit at factory and management update the IDs relating to the manufacturing process at factory. The Company endeavors, through presentations at regular intervals, to familiarize the Independent Directors with the strategy, operations and functioning of the Company and also with changes in the regulatory environment having a significant impact on the operations of the Company and the industry as a whole. The Independent Directors also meet with senior management team of the Company in informal gatherings.

**VII. Profile of Directors seeking appointment / reappointment**

As required under regulation 36(3) of SEBI (LODR), 2015, particulars of the Directors retiring and seeking reappointment at the ensuing Annual General Meeting is annexed to the notice convening 16th Annual General Meeting.

**VIII. Key Managerial Personnel**

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

- Mr. Satishkumar A. Mehta, Chairman & Managing Director
- Mr. Jayeshkumar A. Mehta, Whole Time Director and Chief Financial Officer
- Ms. Anuja Jain, Company Secretary & Compliance Officer

**IX. Declaration from Independent Director**

All the Independent Directors of the Company have given their declarations stating that they meet the criteria of independence as prescribed under the Section 149(6) of the Companies Act, 2013 read with the rules made there under and in the opinion of the Board, the Independent Directors meet the said criteria.

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

**13. Audit Committee**

The Audit Committee is duly constituted in accordance with SEBI (LODR) Regulations 2015 and Section 177 of the Companies Act, 2013 read with Rule 6 of the Companies (Meetings of the Board and its Powers) Rules, 2014 as amended from time to time. It adheres to the terms of reference which is prepared in compliance with Section 177 of the Companies Act, 2013, and SEBI (LODR) Regulations 2015. The present committee has been reconstituted on 30/06/2022. The Members of the Committee are: -

Name Category & Position	Number of meetings held	Number of meetings attended
Mr. Manan Gajjar ^ Non-Executive Independent Director Chairman	5	3
Mrs. Vinita Maheshwari Non-Executive Independent Director Member	5	4
Mr. Satish Kumar A Mehta Executive Director Member	5	5
Mr. Jitendrakumar Patel# Non-Executive Independent Director Chairman	5	0

# ceased to be chairman of the committee w.e.f 22/05/2022

^inducted as chairman of the committee w.e.f. 30/06/2022

Two third of the members are Independent Directors and all the members are financially literate. The composition, role, functions and powers of the Audit Committee are in line with the requirements of applicable laws and regulations. The Audit Committee shall oversee financial reporting process and disclosures, review financial statements, internal audit reports, related party transactions, financial and risk management policies, auditors qualifications, compliance with Accounting Standards etc. and oversee compliance with Stock Exchanges and legal requirements concerning financial statements and fixation of audit fee as well as payment for other services etc.

Five (5) Audit Committee meetings were held during the year 2022-23 at the Registered Office of the Company on 24/05/2022, 30/06/2022, 10/08/2022, 11/11/2022 and 02/02/2023.

#### 14. Nomination and Remuneration Committee

The Nomination and Remuneration Committee is constituted in accordance with SEBI (LODR) Regulations 2015 and Section 178 of the Companies Act, 2013 read with Rule 6 of the Companies (Meetings of the Board and its Powers) Rules, 2014 as amended from time to time. The Company Secretary acts as the Secretary to the committee. Further the present committee has been reconstituted on 30th June 2022 and the Committee Members are:

Name Category & Position	Number of meetings held	Number of meetings attended
Mr. Manan Gajjar^ Non-Executive Independent Director Chairman	5	4
Mrs. Vinita Maheshwari Non-Executive Independent Director Member	5	5
Mr. Hemendra B Patel Non-Executive Independent Director Member	5	4

Name Category & Position	Number of meetings held	Number of meetings attended
Mr. Jitendrakumar Patel# Non-Executive Independent Director Chairman	5	0

# ceased to be chairman of the committee w.e.f 22/05/2022

^inducted as chairman of the committee w.e.f. 30/06/2022

The Board has in accordance with the provisions of sub-section (3) of Section 178 of the Companies Act, 2013, formulated the policy setting out the criteria for determining qualifications, positive attributes, independence of a Director and policy relating to remuneration of Directors, Key Managerial Personnel and other employees. The said policy is available on the website of the Company ([www.sdalloys.com](http://www.sdalloys.com)).

Five (5) meetings was held during the year 2022-23 on 24/05/2022, 30/06/2022, 30/09/2022, 11/11/2022 and 02/02/2023.

#### 15. Stakeholders Relationship Committee

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

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

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

One meeting was held during the year 2022-23 at the Registered Office of the Company on 24/05/2022.

#### 16. Compliance Officer

As on date of this report, the Compliance officer of the Company is Ms. Anuja Jain who is also designated as Company Secretary of the Company.

**17. Statement On Formal Annual Evaluation Of Board**

Nomination and Remuneration Committee annually evaluates the performance of individual Directors, Committees, and of the Board as a whole in accordance with the formal system adopted by it. Further, the Board also regularly in their meetings held for various purposes evaluates the performance of all the Directors, committees and the Board as a whole. The Board considers the recommendation made by Nomination and Remuneration Committee in regard to the evaluation of board members and also tries to discharge its duties more effectively. Each Board member's contribution, their participation was evaluated and the domain knowledge they bring. They also evaluated the manner in which the information flows between the Board and the Management and the manner in which the board papers and other documents are prepared and furnished. The Independent Directors at their separate meeting held on 02/02/2023 reviewed the performance of: Non-Independent Directors and the Board as a whole, Chairman of the Company after taking into account the views of Executive Directors and Non-Executive Directors. The directors also discussed the quality, quantity and timeliness of flow of information between the Company management and the Board that is necessary for the Board to effectively and reasonably perform the duties.

The details of evaluation process of the Board, its Committees and of individual Directors, including Independent Directors have been provided under the Corporate Governance Report which forms part of this Report.

**18. Declaration regarding opinion of the Board with regard to integrity, expertise and experience (including the proficiency) of the independent directors appointed during the year**

The board hereby states that the independent directors appointed during the year possess requisite expertise and experience (including the proficiency) in terms of section 150 of the Act. The Independent Directors appointed during the year have included their names in the data bank of Independent Directors maintained with the Indian Institute of Corporate Affairs in terms of Section 150 of the Act read with Rule 6 of the Companies (Appointment & Qualification of Directors) Rules, 2014.

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

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

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

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

**21. Auditors****1. Statutory Auditors**

Your Company at its 14th Annual General Meeting appointed M/s. Piyush J Shah & Co., Chartered Accountants as Statutory Auditors of the Company for a period of 5 consecutive years i.e., from the Fourteenth Annual General Meeting till Nineteenth Annual General Meeting at a remuneration as may be fixed by the Board of Directors and Audit Committee in consultation with the Auditors thereof.

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

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

The Statutory Auditors have not reported any instance of fraud committed in the Company by its Officers or Employees to the Audit Committee under section 143(12) of the Companies Act, 2013, details of which needs to be mentioned in this Report.

**2. Secretarial Auditor**

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

The said report contains the following observations :

- 1) The Company failed to comply with the provisions of Regulation 3(5) and 3(6) of SEBI (PIT) Regulations, 2015 related to Structured Digital Database (SDD). The Company had maintained all the entries as per the prescribed regulations into Excel format and hence is tamperable in nature.

**and in response of that the management clarified that initially the entries were maintained into Excel Format and to maintain its non-tamperable nature, we strictly implemented the Password of File. Further, the Company has installed SDD software which is non-tamperable.**

**Annual Secretarial Compliance Report**

During the period under review, the Company has complied with the applicable Secretarial Standards notified by the Institute of Company Secretaries of India. The Company has also undertaken an audit for the FY 2022-23 pursuant to SEBI Circular No. CIR/CFD/CMO/I/27/2019 dated February 08, 2019 for all applicable compliances as per the

Securities and Exchange Board of India Regulations and Circular/ Guidelines issued thereunder. The Report (Annual Secretarial Compliance Report) has been submitted to the Stock Exchanges on May 30, 2023 which is within 60 days of the end of the financial year ended March 31, 2023. The said report is annexed as **Annexure-III**.

#### **Secretarial Audit of Material Unlisted Indian Subsidiary**

Further as per the provisions of Regulation 24A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, M/s. Khandelwal Devesh & Associates, Company Secretaries, had undertaken secretarial audit of the Company's material subsidiary i.e., Sagardeep Engineers Private Limited for the FY2022-23. The Audit Report confirms that the material subsidiary has complied with the provisions of the Act, Rules, Regulations and Guidelines and that there were no deviations or non-compliances.

The Board, at its meeting held on July 13, 2021, has re-appointed M/s. Khandelwal Devesh & Associates, Company Secretaries, as Secretarial Auditor, for conducting Secretarial Audit of the Company for FY 2021-22 and 2022-23. The said report is annexed as **Annexure-IV**.

#### **3. Cost Auditor**

The provision of the section 148 of the Companies' act, 2013 read with Rules 14 of the Companies (Audit & Auditors) rules, 2014 is not applicable to the company.

#### **4. Internal Auditor**

M/s Amit Uttamchandani & Associates, Chartered Accountant have been appointed as an Internal Auditor of the Company.

### **22. Personnel**

The information required under Section 197 of the Companies Act, 2013 read with rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is provided in the Report and marked as **Annexure-V**. No employee of the Company was in receipt of the remuneration exceeding the limits prescribed in the rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

In the meeting held on 23.08.2023 the board of directors of the company recommended to increase the Managerial Remuneration of Managing Directors and Whole time Director of the company with effect from 01.09.2023

### **23. Corporate Social Responsibility (CSR)**

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

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

#### **1. CONSERVATION OF ENERGY:**

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

#### **2. TECHNOLOGY ABSORPTION:**

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

#### **3. Foreign exchange Earnings & Outgo**

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

### **24. Particulars of contracts or arrangements with related parties:**

The Company has no material significant transactions with its related parties which may have potential conflict with the interest of the Company at large. All the related party transactions has been reviewed and approved by the Audit Committee & Board of Directors of the Company. Your Company has not entered into any transactions with related parties which could be considered material in terms of Section 188 of the Act. Accordingly, the disclosure of related party transactions as required under Section 134(3)(h) of

the Act, in Form AOC 2, is not applicable. The Policy on Related Party Transactions is available on your Company's website

### **25. Management's Discussion and Analysis Report**

The Management's Discussion and Analysis Report for the year under review, as stipulated under Regulation 34 (2) (e) of the Listing Regulations is given as Annexure-"VI" to this report.

### **26. Statement regarding the development and implementation of Risk Management Policy**

The risk management process is followed by the company to ensure timely identification, categorization and prioritization of operational, financial and strategic business risks. Teams are authorized for managing such risks and updating it to the senior management. The Board and Audit Committee review on regular basis the risk assessment in the company.

### **27. Prevention of Sexual Harassment at Workplace**

The Company has in place an Anti-Sexual Harassment Policy in line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

All employees (permanent, contractual, temporary and trainees) are covered under this policy. The Company has also complied



with the provisions related to constitution of Internal Complaints Committee (ICC) under the said Act to redress complaints received regarding sexual harassment. The Company received no complaints pertaining to sexual harassment during FY 2022-23.

## 28. Vigil Mechanism:

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

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

## 29. Adequacy of Internal Financial Control

The Company has designed and implemented a process driven framework for Internal Financial Controls ('IFC') within the meaning of the explanation to Section 134(5)(e) of the Act. For the year ended March 31, 2023, the Board is of the opinion that the Company has sound IFC commensurate with the nature and size of its business operations and operating effectively and no material weaknesses exist. The Company has a process in place to continuously monitor the same and identify gaps, if any, and implement new and / or improved controls wherever the effect of such gaps would have a material effect on the Company's operations.

During the year, no reportable material weakness was observed.

## 30. Directors' Responsibility Statement

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

- (a) In the preparation of the annual accounts for the financial year ended March 31, 2023, the applicable accounting standards have been followed along with proper explanation relating to material departures.
- (b) The directors have selected such accounting policies and applied them consistently and made judgments and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and loss of the Company for that period under review.
- (c) The directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities.
- (d) The directors have prepared the annual accounts on a going concern basis.
- (e) The directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.
- (f) The directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

## 31. Listing

The equity shares of the Company are listed on NSE and the Company has paid the annual listing fees for the year 2023-24.

## 32. Corporate Governance.

Your Company has complied with the requirements of the Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015 regarding corporate governance. A report on the Company's Corporate Governance practices and the Auditors' Certificate on compliance of mandatory requirements thereof are attached as Annexure 'VII'.

## 33. Other Disclosures / Reporting

The Directors state that no disclosure or reporting is required in respect of the following items as there were no transactions pertaining to these items during the year under review:

1. Details relating to deposits covered under Chapter V of the Companies Act, 2013.
2. Issue of equity shares with differential rights as to dividend, voting or otherwise.
3. Issue of shares (including sweat equity shares) to employees of the Company under any scheme save and except ESOPs referred to in this Report.
4. Neither the Managing Director nor the Whole-time Directors of the Company receive any remuneration or commission from any of its subsidiaries.
5. Voting rights which are not directly exercised by the employees in respect of shares for the subscription/purchase of which loan was given by the Company (as there is no scheme pursuant to which such persons can beneficially hold shares as envisaged under section 67(3) (c) of the Companies Act, 2013).

## 34. Application made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016 (31 of 2016)

During the year no application has been made or no proceeding is pending under the Insolvency and Bankruptcy Code, 2016 (31 of 2016).

## 35. Details of difference between amount of the valuation done at the time of one-time settlement and the valuation done while taking loan from the Banks or Financial Institutions along with the reasons thereof.

There is no such onetime settlement during the period under review

## 36. Secretarial Standards:

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

## 37. Acknowledgement:

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

**For and on behalf of board of directors**

**Satishkumar A. Mehta**

Chairman & Managing Director  
(DIN: 01958984)

Date: 23/08/2023  
Place: Santej (Kalol)



**AOC-1**

**Statement containing silent features of the Financial Statement of Subsidiary Company**  
**(Pursuant to first proviso to sub-section (3) of Section 129 read with rule 5 of the Companies (Accounts) Rules, 2014)**

## Part A Subsidiaries

Sr.No	Particulars	
1.	Name of Subsidiary	Sagardeep Engineers Private Limited
2.	Reporting Period	01st April, 2022 to 31st March, 2023
3.	Reporting Currency	INR(₹)
4.	Country	India
5.	Capital	1,43,00,000/-
6.	Reserves	Rs.3,65,54,000/-
7.	Total Assets	Rs.5,44,90,000/-
8.	Total Liabilities	Rs.5,44,90,000/-
9.	Total Investment	Rs.64,75,000/-
10.	Turnover/Total Income	Rs.8,99,000/-
11.	Profit Before Tax	Rs.2,46,000/-
12.	Provision for Taxation	Rs.1,03,000/-
13.	Profit after Taxation	Rs.1.43,000/-
14.	Proposed Dividend	Nil
15.	% of Shareholding	100%

## FORM NO. MR-3 SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31st March, 2023

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

To,  
The Members,  
**SAGARDEEP ALLOYS LIMITED,**  
Plot no. 2070, Rajnagar Patia, Santej  
Khatraj Road, Santej Kalol, Gandhinagar -382721

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **SAGARDEEP ALLOYS LIMITED (CIN: L29253GJ2007PLC050007)** (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on **March 31, 2023** ('Audit Period') complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on **March 31, 2023** according to the provisions of:

- i. The Companies Act, 2013 (the Act) and the rules made there under.
- ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- iv. Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowing. **(Not Applicable to the company during the audit period)**
- v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
  - (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2021 **(Not Applicable to the company during the audit period);**
  - (e) Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 **(Not Applicable to the company during the audit period);**
  - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993;
  - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 **(Not Applicable to the company during the audit period);**
  - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 **(Not Applicable to the company during the audit period);**
  - (i) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;

I have relied on the representations made by the Company and its officers for systems and mechanism formed by the Company for compliances system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof, on test-check basis, the Company has complied with the provisions of The Employees Provident Funds and Miscellaneous Provisions Act, 1952 and the Factories Act, 1948 and rules made thereunder, as is specifically applicable to the Company.

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India;
- (ii) The Uniform Listing Agreement entered into by the Company with National Stock Exchange of India Limited (NSE).

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

- 1) The Company failed to comply with the provisions of Regulation 3(5) and 3(6) of SEBI (PIT) Regulations, 2015 related to Structured Digital Database (SDD). The Company had maintained all the entries as per the prescribed regulations into Excel format and hence is tamperable in nature.

**I further report that:**

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

Adequate notice is given to all the directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Board takes decision by majority of directors while the dissenting directors' views are captured and recorded as part of the minutes.

**I further report that:**

There are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable Laws, Rules, Regulations and guidelines.

**I further report** that during the period, the Company has no other instances of:

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

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

**Devesh Khandelwal**  
Proprietor  
FCS:6897  
COP:4202  
PR No:-863/2020  
UDIN: F006897E000781814

Place: Ahmedabad  
Date:10.08.2023

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

**ANNEXURE TO SECRETARIAL AUDIT REPORT**

To,  
The Members,  
SAGARDEEP ALLOYS LIMITED,

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

1. Maintenance of secretarial records is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices, I followed provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, I have obtained the Management representations about the compliance of Laws, Rules and Regulations and happening of events etc.
5. The compliance of the provisions of corporate and other applicable Laws, Rules, Regulations, and Standards is the responsibility of management. My examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

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

**Devesh Khandelwal**  
Proprietor  
FCS:6897  
COP:4202

PR No:-863/2020  
UDIN: F006897E000781814

Place: Ahmedabad  
Date:10.08.2023

## ANNEXURE-“III”

SECRETARIAL COMPLIANCE REPORT OF SAGARDEEP ALLOYS LIMITED FOR  
THE FINANCIAL YEAR ENDED ON MARCH 31, 2023

I, **Devesh Khandelwal, proprietor of Khandelwal Devesh & Associates**, Company Secretaries have conducted the review of the compliance of the applicable statutory provisions and the adherence to good corporate practices by **Sagardeep Alloys Limited** (CIN: - L29253GJ2007PLC050007) (hereinafter referred as 'the listed entity'), having its Registered Office at Plot No. 2070, Rajnagar Patiya, Santej Khatraj Road, Santej Kalol, Gandhinagar- 382721, Gujarat. Secretarial Review was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and to provide my observations thereon.

Based on my verification of the listed entity's books, papers, minutes books, forms and returns filed and other records maintained by the listed entity and also the information provided by the listed entity, its officers, agents and authorized representatives during the conduct of Secretarial Review, I hereby report that the listed entity has, during the review period covering the financial year ended on **March 31, 2023** complied with the statutory provisions listed hereunder in the manner and subject to the reporting made hereinafter

I, **Devesh Khandelwal, proprietor of Khandelwal Devesh & Associates**, Company Secretaries have examined:

- a) all the documents and records made available to me and explanation provided by Sagardeep Alloys Limited ("the listed entity")
- b) the filings/ submissions made by the listed entity to the stock exchanges,
- c) website of the listed entity,
- d) any other document/ filing, as may be relevant, which has been relied upon to make this report,

for the year ended on March 31, 2023 ("Review Period") in respect of compliance with the provisions of:

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

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

- a) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
- b) Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; **(Not Applicable during the review period)**
- c) Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- d) Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; **(Not Applicable during the review period)**
- e) Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021; **(Not Applicable during the review period)**
- f) Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021; **(Not Applicable during the review period)**
- g) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- h) Securities and Exchange Board of India (Depository and Participants) Regulations, 2018;
- i) Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 **(Not Applicable during the review period)**

and circulars/ guidelines issued thereunder;

and based on the above examination, I/We hereby report that, during the Review Period:



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

Sr. No.	Compliance Requirement (Regulations / circulars/ guide lines including specific clause)	Regulation / Circular No.	Deviations	Action Taken by	Type of Action Advisory/ Clarification/ Fine/Show Cause Notice/ Warning, etc.	Details of Violation	Fine Amount	Observations / Remarks of the Practicing Company Secretary	Management Response	Remarks
1.	Regulation 3(5) & 3(6)	SEBI (Prohibition of Insider Trading) Regulations, 2015	During the year, all entries to be maintained as per the prescribed regulations were entered into Excel format and hence is tamperable in nature.	-	-	Violation of compliance of Structured Digital Database (SDD) in terms of Regulation 3(5) and 3(6) of SEBI (PIT) Regulations, 2015	-	As per Para III (10) of this Report	The management clarified that initially the entries were maintained into Excel Format and to maintain it's non-tamperable nature, we strictly implemented the Password of File. Further, the Company has installed SDD software which is non-tamperable.	-

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

Sr. No.	Compliance Requirement (Regulations / circulars/ guide lines including specific clause)	Regulation / Circular No.	Deviations	Action Taken by	Type of Action Advisory/ Clarification/ Fine/ Show Cause Notice/ Warning, etc.	Details of Violation	Fine Amount	Observations / Remarks of the Practicing Company Secretary	Management Response	Remarks
N.A.										

- II. Compliances related to resignation of statutory auditors from listed entities and their material subsidiaries as per SEBI Circular CIR/CFD/CMD1/114/2019 dated 18th October, 2019:

Sr. No.	Particulars	Compliance Status (Yes/No/ NA)	Observations /Remarks by PCS*
1	Compliances with the following conditions while appointing/re-appointing an auditor		
i.	If the auditor has resigned within 45 days from the end of a quarter of a financial year, the auditor before such resignation, has issued the limited review/ audit report for such quarter; or	N.A.	-
ii.	If the auditor has resigned after 45 days from the end of a quarter of a financial year, the auditor before such resignation, has issued the limited review/ audit report for such quarter as well as the next quarter; or		

Sr. No.	Particulars	Compliance Status (Yes/No/NA)	Observations /Remarks by PCS*
	iii. If the auditor has signed the limited review/ audit report for the first three quarters of a financial year, the auditor before such resignation has issued the limited review/ audit report for the last quarter of such financial year as well as the audit report for such financial year.		
2.	Other conditions relating to resignation of statutory auditor		
	i. Reporting of concerns by Auditor with respect to the listed entity/its material subsidiary to the Audit Committee:  a. In case of any concern with the management of the listed entity/material subsidiary such as non-availability of information / non-cooperation by the management which has hampered the audit process, the auditor has approached the Chairman of the Audit Committee of the listed entity and the Audit Committee shall receive such concern directly and immediately without specifically waiting for the quarterly Audit Committee meetings.	NA  NA	
	b. In case the auditor proposes to resign, all concerns with respect to the proposed resignation, along with relevant documents has been brought to the notice of the Audit Committee. In cases where the proposed resignation is due to non-receipt of information / explanation from the company, the auditor has informed the Audit Committee the details of information / explanation sought and not provided by the management, as applicable.  c. The Audit Committee / Board of Directors, as the case may be, deliberated on the matter on receipt of such information from the auditor relating to the proposal to resign as mentioned above and communicate its views to the management and the auditor.	NA  NA	
	ii. Disclaimer in case of non-receipt of information:  The auditor has provided an appropriate disclaimer in its audit report, which is in accordance with the Standards of Auditing as specified by ICAI / NFRA, in case where the listed entity/ its material subsidiary has not provided information as required by the auditor.	NA	
3.	The listed entity / its material subsidiary has obtained information from the Auditor upon resignation, in the format as specified in Annexure- A in SEBI Circular CIR/ CFD/CMD1/114/2019 dated 18th October, 2019.	NA	

**III. We hereby report that, during the Review Period the compliance status of the listed entity is appended as below:**

Sr. No.	Particulars	Compliance Status (Yes/No/NA)	Observations /Remarks by PCS*
1.	<b>Secretarial Standards:</b> The compliances of the listed entity are in accordance with the applicable Secretarial Standards (SS) issued by the Institute of Company Secretaries of India (ICSI).	Yes	-

Sr. No.	Particulars	Compliance Status (Yes/No/NA)	Observations /Remarks by PCS*
2	<b>Adoption and timely updation of the Policies:</b> <ul style="list-style-type: none"> <li>All applicable policies under SEBI Regulations are adopted with the approval of board of directors of the listed entities</li> <li>All the policies are in conformity with SEBI Regulations and have been reviewed &amp; updated on time, as per the regulations/circulars/guidelines issued by SEBI</li> </ul>	Yes  Yes	
3	<b>Maintenance and disclosures on Website:</b> <ul style="list-style-type: none"> <li>The Listed entity is maintaining a functional website</li> <li>Timely dissemination of the documents/ information under a separate section on the website</li> <li>Web-links provided in annual corporate governance reports under Regulation 27(2) are accurate and specific which re- directs to the relevant document(s)/ section of the website</li> </ul>	Yes  Yes  Yes	
4	<b>Disqualification of Director:</b> None of the Director(s) of the Company is/ are disqualified under Section 164 of Companies Act, 2013 as confirmed by the listed entity.	Yes	
5	<b>Details related to Subsidiaries of listed entities have been examined w.r.t.:</b> (a) Identification of material subsidiary companies (b) Disclosure requirement of material as well as other subsidiaries	Yes	The Company has material subsidiary namely Sagardeep Engineers Private Limited
6	<b>Preservation of Documents:</b> The listed entity is preserving and maintaining records as prescribed under SEBI Regulations and disposal of records as per Policy of Preservation of Documents and Archival policy prescribed under SEBI LODR Regulations, 2015.	Yes	
7	<b>Performance Evaluation:</b> The listed entity has conducted performance evaluation of the Board, Independent Directors and the Committees at the start of every financial year/during the financial year as prescribed in SEBI Regulations.	Yes	
8.	<b>Related Party Transactions:</b> (a) The listed entity has obtained prior approval of Audit Committee for all related party transactions; or (b) The listed entity has provided detailed reasons along with confirmation whether the transactions were subsequently approved /ratified/rejected by the Audit Committee, in case no prior approval has been obtained.	Yes	-
9.	<b>Disclosure of events or information:</b> The listed entity has provided all the required disclosure(s) under Regulation 30 along with Schedule III of SEBI LODR Regulations, 2015 within the time limits prescribed thereunder.	Yes	-

Sr. No.	Particulars	Compliance Status (Yes/No/NA)	Observations /Remarks by PCS*
10.	<b>Prohibition of Insider Trading:</b> The listed entity is in compliance with Regulation 3(5) & 3(6) SEBI (Prohibition of Insider Trading) Regulations, 2015.	No	During the year, all entries to be maintained as per the prescribed regulations were entered into Excel format and hence is tamperable in nature and in violation of compliance of Structured Digital Database (SDD) in terms of Regulation 3(5) and 3(6) of Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 (PIT Regulations).
11.	<b>Actions taken by SEBI or Stock Exchange(s), if any:</b> No action(s) has been taken against the listed entity/ its promoters/ directors/ subsidiaries either by SEBI or by Stock Exchanges (including under the Standard Operating Procedures issued by SEBI through various circulars) under SEBI Regulations and circulars/ guidelines issued thereunder.	Yes	
12.	<b>Additional Non-compliances, if any:</b> No additional non-compliance observed for any SEBI regulation/circular/guidance note etc.	N.A.	-

**Assumptions & Limitation of scope and Review:**

1. Compliance of the applicable laws and ensuring the authenticity of documents and information furnished, are the responsibilities of the management of the listed entity.
2. Our responsibility is to report based upon our examination of relevant documents and information. This is neither an audit nor an expression of opinion.
3. We have not verified the correctness and appropriateness of financial Records and Books of Accounts of the listed entity.
4. This Report is solely for the intended purpose of compliance in terms of Regulation 24A (2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and is neither an assurance as to the future viability of the listed entity nor of the efficacy or effectiveness with which the management has conducted the affairs of the listed entity

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

**sd/-**  
**Devesh Khanelwal**  
Proprietor  
FCS:6897  
COP:4202

Place: Ahmedabad  
Date: 30/05/2023

UDIN: F006897E000422136  
PR No:- 863/2020

**FORM NO. MR-3****SECRETARIAL AUDIT REPORT****FOR THE FINANCIAL YEAR ENDED 31st March, 2023****[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]**

To,  
 The Members,  
**SAGARDEEP ENGINEERS PRIVATE LIMITED,**  
 Plot no. 2070, Rajnagar Patia, Santej  
 Khatraj Road, Santej Kalol, Gandhinagar -382721

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **SAGARDEEP ENGINEERS PRIVATE LIMITED** (CIN:U29100GJ2011PTC063479) a subsidiary of SAGARDEEP ALLOYS LIMITED (hereinafter called "the company", "subsidiary company"). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on March 31, 2023 ('Audit Period') complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2023 according to the provisions of:

- i. The Companies Act, 2013 (the Act) and the rules made there under.
- ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder; (Not Applicable to the Company during reporting period)
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- iv. Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowing. (Not Applicable to the Company during reporting period)
- v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011. (Not Applicable as the Company is not listed on any recognized stock exchange);
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015. (Not Applicable as the Company is not listed on any recognized stock exchange);
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018. (Not Applicable as the Company is not listed on any recognized stock exchange);
  - (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2021 (Not Applicable as the Company is not listed on any recognized stock exchange);
  - (e) Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 (not applicable to the company as the Company is not listed on any recognized stock exchange);
  - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993;
  - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 (Not Applicable as the Company is not listed on any recognized stock exchange);
  - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 (Not Applicable as the Company is not listed on any recognized stock exchange);
  - (i) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (to the extent applicable to subsidiary of listed Company)



I have relied on the representations made by the Company and its officers for systems and mechanism formed by the Company for compliances system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof, on test-check basis, the Company has complied with specifically applicable to the Company.

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India;
- (ii) The Uniform Listing Agreement entered into by the Company with stock exchange (Not applicable to the Company)
- (vi) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (to the extent applicable to subsidiary of listed Company)

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

**I further report that:**

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

Adequate notice is given to all the directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Board takes decision by majority of directors while the dissenting directors' views are captured and recorded as part of the minutes.

**I further report that:**

There are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable Laws, Rules, Regulations and guidelines.

**I further report that** there were no other instances of:

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

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

**Devesh Khandelwal**  
Proprietor  
FCS:6897  
COP:4202

Place: Ahmedabad  
Date:10/08/2023

PR No:- 863/2020  
UDIN: F00686897E000781836

**ANNEXURE TO SECRETARIAL AUDIT REPORT**

To,  
The Members,  
SAGARDEEP ENGINEERS PRIVATE LIMITED,

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

1. Maintenance of secretarial records is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices, I followed provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, I have obtained the Management representations about the compliance of Laws, Rules and Regulations and happening of events etc.
5. The compliance of the provisions of corporate and other applicable Laws, Rules, Regulations, and Standards is the responsibility of management. My examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

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

**Devesh Khandelwal**  
Proprietor  
FCS:6897  
COP:4202

Place: Ahmedabad  
Date:10/08/2023

PR No:-863/2020  
UDIN: F00686897E000781836

## Annexure-“V”

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

Sr.No.	Requirements	Disclosure	
I.	The ratio of the remuneration of each director to the median remuneration of the employees for the financial year	MD	3.75times
		WTD	3.75times
II.	The percentage increase in remuneration of each director, CFO, CEO, CS in the financial year	MD	Nil
		WTD	Nil
		CS	Nil
		CFO	NIL
III.	The percentage increase in the median remuneration of employees in the financial year	NIL	
IV.	The number of permanent employees on the rolls of the Company as on 31st March, 2023	2	
V.	Average percentile increases already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration	Nil	
VI.	Affirmation that the remuneration is as per the remuneration policy of the company	Yes, it is confirmed	

**Regd Office:**

Plot No. 2070 , Rajnagar Patiya ,  
SantejKhatraj Road,  
SantejKalol,  
Gandhinagar 382721

Date:23/08/2023

Place:Santej (Kalol)

**By Order of the Board of Directors**

For, Sagardeep Alloys Limited

Sd/-

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

## MANAGEMENT’S DISCUSSION AND ANALYSIS

### GLOBAL ECONOMY

Following a turbulent year in 2022, the global economy is seen demonstrating signs of resilience in 2023. The geopolitical tensions caused by the prolonged Russia-Ukraine war, supply chain disruptions, higher inflation, and tighter monetary conditions made it hard to complete the economic recovery in 2022-23. Global economic growth remains low by historical standards and financial risks have increased. International trade was also severely impacted in 2022-23 due to global economic slowdown, persistent inflation, supply chain bottlenecks, and subdued consumer sentiments. However, economic conditions have started showing signs of stabilisation in early 2023.

A key factor in the improvement in economic activity has been the easing of energy and food prices and input costs. After a year of the Russia-Ukraine war, the value of Russian exports of cobalt, copper, diamonds, iron ore, gold and other selected metals and mining products dropped 35.5% between February and April 2022, Russia’s war against Ukraine has been a key driving force behind aluminum and nickel price movements, while high energy prices have affected most metals, especially copper. Metal prices are projected to increase 16 percent in 2022 and ease somewhat in 2023.

### INDIAN ECONOMY

India outperformed and repositioned itself amongst the world’s fastest growing economies, even as most developed countries faced slowing growth amidst high inflation in FY 2022-23. India’s GDP growth during FY 2022-23 is estimated at 7.0% as against 9.1% growth achieved in FY 2021-22, as per the second advance estimates of National Income released by the National Statistical Office (NSO). The accelerated pace of economic reforms has led to the sustainable growth of the Indian economy and strengthened its position in the world.

The IMF projects the Indian economy to grow at 5.9% in FY 2023-24 before rising to 6.3% in FY 2024-25. The optimistic growth stems from positive factors such as strong investment activity bolstered by the government’s push for infrastructure development with an allocation of `10 Lakh Crores, the rebound of private consumption, improvement in capacity utilisation, and revival in credit growth. The Reserve Bank of India (RBI) has also increased the repo rate by 250 basis points to 6.50% in FY 2022-23 to curb inflation and boost economic growth.

Moreover, growth-enhancing policies such as the production linked incentives (PLI) schemes and the government’s emphasis on self-reliance will boost productivity and have a multiplier effect on the Indian economy. The Indian economy remains relatively well positioned to navigate global headwinds in FY 2023-24 with unprecedented levels of optimism and multiple growth levers at play.

### INDUSTRY STRUCTURE & DEVELOPMENT

Copper is the third-most-consumed metal in the world. It is also known as a highly electrically conductive material. The properties of copper include good electrical conductivity, excellent thermal conductivity, corrosion resistance, high ductility, recyclability, and non-magnetic nature. The copper market is segmented by end-user industry (automotive and heavy equipment, construction, electrical and electronics, industrial and other end-user industries). Copper is the most widely used metal in energy generation, transmission infrastructure, and energy storage. It is the next most used metal after aluminum and steel in the construction, telecommunications, transportation, and automobile manufacturing sectors. The size of Indian copper industry (consumption of refined copper per annum) is around half a million tones which constitutes only 3 percent of the world copper market. India, a major exporter of refined copper till a few years ago, is set to become a net importer in recent years due to disturbance of production in various plants because of various environmental concerns.

### FORWARD-LOOKING INFORMATION

This MD&A contains certain forward-looking statements and information relating to the Company that is based on the beliefs of its management as well as assumptions made by and information currently available to the Company. When used in this document, the words “anticipate”, “believe”, “estimate”, “expect” and similar expressions, as they relate to the Company or its management, are intended to identify forward-looking statements. This MD&A contains forward-looking statements relating to, among other things, regulatory compliance, the sufficiency of current working capital, and the estimated cost and availability of funding for the continued exploration of the Company’s properties. Such statements reflect the current views of the Company with respect to future events and are subject to certain risks, uncertainties, and assumptions. Many factors could cause the actual results, performance or achievements of the Company to be materially different from any future results, performance or achievements that may be expressed or implied by such forward-looking statements. Aside from factors identified in the interim MD&A, additional, important factors, if any, are identified here.

### SEGEMENT WISE PERFORMANCE

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

### OPPORTUNITIES AND THREATS

Our success as an organization depends on our ability to identify opportunities and leverage them while mitigating the risks that arise while conducting our business. The electronics production was halted temporarily in many countries. Also, the mining of metals, including copper, slowed down in 2022-23. Also due to Russian-Ukraine war, there has been major reduction in demand for copper. These factors negatively impacted the copper market worldwide including India.

However, now with increasing demand from construction, electronics, and telecommunication industries is boosting the market's growth. During the financial year 2022-23, the Company started to expand the product base in copper and copper alloy products and also to increase its production capacity in Copper Busbar. However due to frequent ups-downs in industry for demand of copper products, there has been no surge in margin and profitability of the company. During the year, the import of Copper also get affected due to disturbances worldwide because of the pandemic and such disturbances resulted into price rise of main raw material i.e. copper scrap of the Company and increased the working capital requirement of the Company. Price rise in copper scrap also affected the price of our products and buyers waited for their Orders and these all affected the financial performance of the Company. Looking to the present improvements in industrial sentiments in India and Worldwide, the Management is very optimistic in positive improvement of turnover and profit margin in current as well as coming years. The Company is continuously exploring all available opportunity to expand its market reach in products relating to Copper and Copper Alloy.

The Management see risk in raising price of metals including copper which can affect the profitability of the Company. Price rise in copper will also result into increase in working capital cost and slow growth in sales and lower capacity utilization.

### **OUTLOOK, RISKS & CONCERNS**

Our Outlook, risks and concerns are as follows:

- Looking ahead, we remain optimistic about the future of Sagardeep Alloys Limited in the copper industry. As global demand for copper continues to grow, we are well-positioned to capitalize on market opportunities. Our existing plants, coupled with ongoing operational enhancements, will enable us to meet the rising demand while maintaining our commitment to sustainability and responsible business practices. We foresee a positive outlook for the copper market and are confident in our ability to deliver sustainable value to our stakeholders.
- We are seeing very good business opportunity for Metal Sector in coming Years and this will also result into positive improvement of our Company.
- During the year the Company has discontinued the production of Copper Sulphate as it did not lead to improvement of turnover and profitability.
- As with any business there are various risks that could impact operations. We actively monitor and manage these risks to safeguard our business and stakeholders' interests. Market volatility, regulatory changes, geopolitical uncertainties, and environmental factors are among the key risks we continually assess and address. Our risk management strategies aim to ensure resilience and adaptability in dynamic market conditions.
- A large part of our revenue depends on our top clients and loss of any one of major client may lead to negative impact on our business.
- Our success depends on our top management and key personnel and our ability to attract and retain them.
- Price volatility of metal sector including copper can affect the performance of the Company negatively.

### **INTERNAL CONTROL SYSTEM AND ADEQUACY**

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

### **FINANCIAL AND OPERATIONAL PERFORMANCE**

Financial and Operational performance is provided in Board of Directors Report and same can be referred in point no 1 of the director report.

### **HUMAN RESOURCES AND INDUSTRIAL RELATIONS**

The industrial relations remained cordial throughout the year. The employees of the Company have extended a very productive cooperation in the efforts of the management to carry the Company to greater heights. Continuous training down the line is a normal feature in the Company to upgrade the skills and knowledge of the employees and workmen of the Company. The Management took this opportunity to thank all of its employees including laborers for their continuing support in this pandemic and helped Company to continue its business operation in this odd time period.

### **CAUTIONARY STATEMENT**

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



**Details of significant changes (i.e. change of 25% or more as compared to the immediately previous financial year) in key financial ratios, along with detailed explanations therefor, including:**

Sr No.	Particulars of Ratio	As at 31.03.2023	As at 31.03.2022
1.	Debtors Turnover	9.71	10.52
2.	Inventory Turnover	6.78	7.89
3.	Interest Coverage Ratio	0.02	0.02
4.	Current Ratio	2.79	1.80
5.	Debt Equity Ratio	0.22	0.48
6.	Debt service Coverage ratio	-	-
7.	Operating Profit Margin (%)	0.02	0.02
8.	Net Profit Margin (%)	0.01	0.01
9.	Net capital Turnover Ratio	7.70	7.69
10.	Trade payable Turnover Ratio	42.40	22.80

- (j) **details of any change in Return on Net Worth as compared to the immediately previous financial year along with a detailed explanation thereof:** : In comparison with the last year Return on Net-worth ratio there is no major change in Return on Net-worth ratio in the current Financial Year

#### **CONCLUSION:s**

In conclusion, the fiscal year 2023 was a period of significant achievements for Sagardeep Alloys Limited. We achieved strong financial results, and demonstrated our dedication to sustainability and ESG principles. Despite the challenges posed by the industry's inherent risks, we have managed to position ourselves favorably for the future. As we continue to navigate the evolving landscape of the copper business, we remain focused on delivering sustainable growth and value to our shareholders, employees, and communities.

Thank you for your continued support and trust in SAGARDEEP ALLOYS LIMITED We look forward to seizing new opportunities and achieving even greater success in the coming years.

#### **Regd Office:**

Plot No. 2070 , Rajnagar Patiya ,  
SantejKhatraj Road,  
SantejKalol,  
Gandhinagar 382721

Date:23/08/2023

Place:Santej (Kalol)

#### **By Order of the Board of Directors**

For, Sagardeep Alloys Limited

**Sd/-**

**Satishkumar Mehta**

**Chairman & Managing Director**

**(DIN: 01958984)**

## CORPORATE GOVERNANCE REPORT

### CORPORATE GOVERNANCE PHILOSOPHY

Effective Corporate Governance practices constitute the strong foundation on which successful commercial enterprises are built to last. The Company's philosophy in relation to Corporate Governance is to ensure transparent disclosures and reporting that conforms fully to laws, regulations and guidelines and to promote ethical conduct throughout the organization with the primary objective of enhancing stakeholders' value while being a responsible corporate citizen. The Company has always thrived towards building trust with shareholders, employees, customers, suppliers, regulators, and other stakeholders based on the principles of good Corporate Governance.

At the heart of Company's Corporate Governance policy is the ideology of transparency and openness in the effective working of the management and Board. It is believed that the imperative for good Corporate Governance lies not merely in drafting a code of Corporate Governance but in practicing it. Strong leadership and effective corporate governance practices have been significant contributors to the Company's growth story. The Company has always worked towards building trust with shareholders, employees, customers, suppliers and other stakeholders based on the principles of good corporate governance.

In line with the Sagardeep Group philosophy, your Company firmly believes in adherence to good corporate governance practices and constant efforts are made to improve such practices and to adopt emerging best practices. Your Company is committed to continuously scaling up its corporate governance standards. The Company's essential character revolves around values based on transparency, integrity, professionalism and accountability. The Company has adopted SAL's Code of Conduct for its employees, officers and Directors. In addition, the Company's Independent Directors adhere to "Code for Independent Directors" provided in Schedule IV of the Companies Act, 2013 ("the Act") which suitably incorporates the duties and responsibilities of Independent Directors as laid down in the Act. The Company's corporate governance philosophy has been further strengthened through Code of Conduct for Prevention of Insider Trading and the Code of Practices and Procedures for fair disclosure of Unpublished Price Sensitive Information (UPSI).

The Company is in compliance with the requirements stipulated under Regulations 17 to 27, clauses (b) to (i) and (t) of Regulation 46(2) and para C, D & E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI (LODR) Regulations, 2015"), as applicable, with regard to Corporate Governance. This report is to be read with Board's Report and all its annexures for more clarity on Corporate Governance practices of the Company.

### 2. BOARD OF DIRECTORS

The Board of Directors ("Board") of the Company is entrusted with the ultimate responsibility of the management, formulations of policies, devising corporate strategy, general affairs, direction and performance of the Company, ensuring compliances of all applicable laws of the land in letter as well as in spirit and long-term success of business as a whole. The Board has been vested with requisite powers, authorities and duties. The Board consists of optimum combination of Executive, Non- Executive and Independent Directors including Woman Director who have wide and varied experience in the field of business, finance, education, industry, commerce and administration.

- a) **Composition of the Directors:** The Company's policy is to have an appropriate mix of Executive, Non-Executive & Independent Directors. As on March 31, 2023, the Board comprises of 6 (Six) Directors, of which, 2 (Two) are Executive Directors, 1 (One) is Non-Executive Director and 3 (Three) are Non-executive Independent Directors including one Woman independent Director. The Board is chaired by Mr. Satishkumar A. Mehta, Managing Director. The Composition of the Board is in conformity with the provisions of the Act and Regulation 17 of the LODR.
- b) None of the Director held directorships in more than 20 companies. Further, none of the Director is a Director in more than 10 public limited companies (as specified in Section 165 of the Act) and Director in more than 7 listed entities (as specified in Regulation 17A of the SEBI (LODR) Regulations, 2015) or acts as an Independent Director (including any alternate directorships) in more than 7 listed companies and none of the Whole Time Director/Managing Director of the Company serves as an Independent Director in any listed entity (as specified in Regulation 17A of the SEBI (LODR) Regulations, 2015). Further, none of the Directors on the Board is a Member of more than 10 Committees or Chairperson of more than 5 Committees (considering only Audit and Stakeholders' Relationship Committee as specified in Regulation 26(1)(b) of the SEBI (LODR) Regulations, 2015), across all the public limited companies in which he/she is a director. Necessary disclosures regarding committee positions in other public companies as on 31.03.2023 have been made by the directors.

#### a. Meetings of the Board:

The Board Meetings are held at regular intervals with a time gap of not more than 120 days between two consecutive meetings. Additional meetings are held whenever deemed necessary for the conduct of business. During the year under review, 7 board meetings were held on 01/04/2022, 24/05/2022, 30/06/2022, 10/08/2022, 30/09/2022, 11/11/2022 and 02/02/2023.

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

The Independent Directors met on 10/08/2022 and 02/02/2023 to discuss the performance evaluation of the Board, Committees, Chairman and the individual Directors.

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

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

The following is the composition of the Board of Directors as on March 31, 2023. The Directors strive to attend all the Board / Committee meetings. Their attendance at the Meetings held during the year and at the last AGM was as under:

Name of Director	Category	Meetings held during the year	No. of Board Meetings attended	Number of shares and convertible instruments held by non- executive directors	Attendance at last AGM
Mr. Satishkumar Asamal Mehta	Promoter Chairman & Managing Director	7	7	N.A	Yes
Mr. Jayeshkumar Ashmal Mehta	Promoter Whole Time Director	7	7	N.A	Yes
Mr. Parimal Patwa	Non-Executive Director	7	7	N.A	Yes
Mr. Hemendrabhai Bhailal Patel	Independent Director	7	5	N.A	Yes
Mrs. Vinita Pankaj Maheshwari	Independent Director	7	6	N.A	Yes
Mr. Jitendrakumar Dhanjibhai Patel*	Independent Director	7	1	N.A	Yes
Mr. Manan Gajjar#	Independent Director	7	3	N.A	N.A

\*Ceased to be director W.e.f 22.05.2022

#appointed as Independent Director W.e.f.30.06.2022

None of the Directors hold the office of director in more than the permissible number of companies under Section 165 of the Act or Regulation 17A of the LODR.

None of the Directors hold the office of director in listed entities (whose equity and debt securities are listed).The information stipulated under Part A of Schedule II of SEBI (LODR) Regulations is being made available to the Board.

Name of Director	Category	No. of Board Membership	No. of Membership in Committees	No. of Chairmanship in Committees
Mr. Satishkumar Asamal Mehta	Chairman & Managing Director	1	Nil	Nil
Mr. Jayeshkumar Ashmal Mehta	Whole Time Director	0	Nil	Nil
Mr. Parimal Patwa	Director	3	3	Nil
Mr. Hemendrabhai Bhailal Patel	Independent Director	1	Nil	Nil
Mrs. Vinita Pankaj Maheshwari	Independent Director	0	Nil	Nil
Mr. Jitendrakumar Dhanjibhai Patel*	Independent Director	Nil	Nil	Nil
Manan Girishbhai Gajjar#	Independent Director	1	Nil	Nil

\*Ceased to be director w.e.f 22.05.2022

# appointed as independent director w.e.f. 30.06.2022

## RELATIONSHIP BETWEEN THE DIRECTORS

Name of Director	Category	Relationship between the Directors
Mr. Satishkumar Asamal Mehta	Chairman & Managing Director	Brother of Mr. Jayeshkumar Ashmal Mehta
Mr. Jayeshkumar Ashmal Mehta	Whole Time Director	Brother of Mr. Satishkumar Asamal Mehta
Mr. Parimal Patwa	Non-Executive Director	No Relation
Mr. Hemendrabhai Bhailal Patel	Independent Director	No Relation
Mrs. Vinita Pankaj Maheshwari	Independent Director	No Relation
Mr. Jitendrakumar Dhanjibhai Patel*	Independent Director	No Relation
Mr Manan Girishbhai Gajjar#	Independent Director	No relation

\*Ceased to be director w.e.f 22.05.2022

# appointed as independent director w.e.f. 30.06.222

## a. Information to the Board:

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

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

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

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

A Chart Setting out the Skills of the Board of Director as on March 31, 2023 is as under: -

(We have referred the skills by numbers 1: Leadership, 2: Strategy and planning, 3: Global Experience /International Exposure, 4: Governance, Risk Management and Compliance, 5: Engineering Research & Development, 6: Finance, Accounts & Audit, 7: Relationship with Clients/ Customers, 8: Stakeholder Engagement & Industry advocacy and 9: Contributor and collaborator)

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

\*Ceased to be director w.e.f. 22/05/2022.

#Appointed as Independent Director w.e.f. 30/06/2022

Mr. Jitendrabhai Patel ceased to be Independent Director due to expiry of his tenure w.e.f. 22.05.2022.

Mr. Manan Gajjar Appointed as Independent Director w.e.f. 30.06.2022.

## SELECTION CRITERIA OF BOARD MEMBERS

The Board of Directors is collectively responsible for selection of a member on the Board. The Nomination and Remuneration Committee of the Company follows defined criteria for identifying, screening, recruiting and recommending candidates for selection as a Director on the Board. The criteria for appointment to the Board include:

- Composition of the Board, which is commensurate with the size of the Company, its portfolio, geographical spread and its status as a listed Company;
- Desired age and diversity on the Board;
- Size of the Board with optimal balance of skills and experience and balance of Executive and Non-Executive Directors consistent with the requirements of law;
- Professional qualifications, expertise and experience in specific area of business;
- Balance of skills and expertise in view of the objectives and activities of the Company;
- Avoidance of any present or potential conflict of interest;
- Availability of time and other commitments for proper performance of duties;
- Personal characteristics being in line with the Company's values, such as integrity, honesty, transparency, leadership skills, pioneering mindset.

## CODE OF CONDUCT FOR BOARD & SENIOR MANAGEMENT PERSONNEL

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

## Particulars of senior management including the changes therein since the close of the previous financial year.

During the year Ms. Ami Doshi has been appointed as Company secretary and Compliance officer of the company and Resigned from the post of Company Secretary and Compliance officer w.e.f. 30.09.2022 due to some Personal Reasons. Mr. Vismay Shah who was CFO of the



company has also resigned from the office of CFO w.e.f. 30.09.2022 and Mr. Jayesh A Mehta, who was already appointed in the company as Whole time Director has been appointed as CFO of the company w.e.f 30.09. 2022.. Ms Anuja Jain has been appointed as the Company Secretary and Compliance Officer of the company w.e.f 11.11. 2022.

- 1) Ms. Ami Doshi, Company Secretary and Compliance Officer (From 01.04.2022 to 30.09.2023)
- 2) Mr. Vismay Shah, Chief Financial Officer (till 30.09.2022)
- 3) Mr. Jayesh A Mehta, Chief Financial Officer (From 30.09.2022)
- 4) Ms. Anuja Jain, Company Secretary and Compliance Officer (From 11.11.2022)

## **BOARD COMMITTEES**

The Board currently has the following three Committees:

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

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

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

### **Audit Committee**

#### **❖ Terms of Reference**

1. Oversight of the Issuer's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
2. Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the statutory auditor and the fixation of audit fees.
3. Review and monitor the auditor's independence and performance, and effectiveness of audit process.
4. Approval of payment to statutory auditors for any other services rendered by the statutory auditors.
5. Examination of the financial statement and the auditors' report thereon.
6. Reviewing, with the management, the annual financial statements before submission to the board for approval, with particular reference to:
  - a. Matters required being included in the Director's Responsibility Statement to be included in the Board's report.
  - b. Changes, if any, in accounting policies and practices and reasons for the same
  - c. Major accounting entries involving estimates based on the exercise of judgment by management
  - d. Significant adjustments made in the financial statements arising out of audit findings
  - e. Compliance with listing and other legal requirements relating to financial statements
  - f. Disclosure of any related party transactions
  - g. Qualifications in the draft audit report.
7. Reviewing, with the management, the half yearly financial statements before submission to the board for approval.
8. Approval or any subsequent modification of transactions of the company with related parties;
9. Scrutiny of inter-corporate loans and investments;
10. Valuation of undertakings or assets of the company, wherever it is necessary;
11. Evaluation of internal financial controls and risk management systems;
12. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/

notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter.

13. Reviewing, with the management, performance of statutory and internal auditors, and adequacy of the internal control systems.
14. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
15. Discussion with internal auditors any significant findings and follow up there on.
16. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board.
17. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
18. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of nonpayment of declared dividends) and creditors.
19. To review the functioning of the Whistle Blower mechanism, in case the same is Existing.
20. Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience & background, etc. of the candidate.
21. The Audit Committee shall mandatorily review the following information:
  - a. Management discussion and analysis of financial condition and results of operations;
  - b. Statement of significant related party transactions (as defined by the audit committee), submitted by management;
  - c. Management letters / letters of internal control weaknesses issued by the statutory auditors;
  - d. Internal audit reports relating to internal control weaknesses;
  - e. The appointment, removal and terms of remuneration of the Chief internal auditor shall be subject to review by the Audit Committee
  - f. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee and as required to be carried out as per applicable law including listing agreement.

### Composition

As on March 31, 2023 the Audit Committee comprises of two Independent Directors and One Executive Director. The Chairman of the Committee is an Independent Director Mr Jitendra Dhanjibhai Patel ceased to be appointed as Chairman of Audit Committee from 22/05/2022 due to expiry of his tenure. The committee has been reconstituted in the board meeting held at the 24/05/2022.

### Meetings

During the year ended March 31, 2023, Audit Committee met 5 (Five) times 05/04/2022, 24/05/2022, 10/08/2022, 11/11/2022 and 02/02/2023. Due to expiry of tenure of Mr. Jitendrakumar Dhanjibhai Patel, Committee has been reconstituted on 24/05/2022 as Mr. Hemendrabhai Bhailal Patel, Chairperson, Mrs. Vinita Pankaj Maheshwari, Member and Mr. Satish Mehta, Member. Further the present committee has been reconstituted on 30/06/2022 after the financials year

Name of Director	Category	Meetings held during the year	No. of Meetings attended
Mr. Jitendrakumar Dhanjibhai Patel*	Chairman	5	1
Mr. Manan Gajjar##	Chairman	5	4
Mr. Satishkumar Asamal Mehta	Member	5	5
Mrs. Vinita Pankaj Maheshwari	Member	5	5
Mr. Himendrabhai bhailal Patel#	Chairman	5	1

\*Ceased to be chairman and member of the committee w.e.f.23.05.2022

# inducted as Chairman and member of the committee w.e.f. 24.05.2022 till 30.06.2022

##Inducted as chairman and member of the committee w.e.f. 30.06.2022

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

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

**Nomination and Remuneration Committee****❖ Terms of Reference**

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

**Composition**

As on March 31, 2023 the NRC comprised of three Independent Directors. The Chairman of the Committee is an Independent Director Mr Jitendra Dhanjibhai Patel ceased to be appointed as Chairman of Nomination and remuneration committee from 22/05/2022 due to expiry of his tenure. The committee has been reconstituted in the board meeting held at the 24/05/2022.

**Meetings**

During the year ended March 31, 2023, the NRC committee met 5 (five) times 01/04/2022, 30/06/2022, 30/09/2022 and 11/11/2022, 02/02/2023. Due to expiry of tenure of Mr. Jitendrakumar Dhanjibhai Patel, Committee has been reconstituted on 24/05/2022 as

1. Mr. Hemendrabhai Bhailal Patel, Chairperson,
2. Mrs. Vinita Pankaj Maheshwari, Member and
3. Mr. Manan Gajjar, Member.

Mr. Hemendrabhai Patel was appointed as Chairman in the Audit Committee from 24/05/2022 till 29/06/2022 and Mr. Parimal Suryakant Patwa as member in the Committee.

In the Board meeting held on 30.06.2022 committee has been reconstituted and following events occurred

\* Mr. Jitendrakumar Dhanjibhai Patel Ceased to be chairman and member of the committee w.e.f.23.05.2022

# Mr. Parimal Suryakant Patwa ceased to be as a member of the Committee to 30.06.2022

##Mr. Manan Gajjar Inducted as chairman and member of the committee w.e.f. 30.06.2022

**The Reconstituted of Committee**

Name of Director	Category	Meetings held during the year	No. of Meetings attended
Mr. Jitendrakumar Dhanjibhai Patel*	Chairman	5	1
Mr. Hemendrabhai Bhailal Patel	Member	5	4
Mrs. Vinita Pankaj Maheshwari	Member	5	5
Mr. Manan Gajjar##	Chairman	5	4
Mr. Parimal Suryakant Patwa#	Member	5	1

**REMUNERATION OF DIRECTORS:****Remuneration Policy**

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

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

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

Details of Remuneration Paid/Payable to Directors for the Year Ended March 31, 2023.

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

**(a) Executive Directors**

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

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

Name of Director	Category	Salary
Mr. Satishkumar Asamal Mehta	Chairman & Managing Director	Rs. 9,00,000/-
Mr. Jayeshkumar Ashmal Mehta	Whole Time Director	Rs. 9,00,000/-

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

**(b) Independent Directors/Non-Executive Director:**

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

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

Name of Director	Category	Salary
Mr. Parimal Suryakant Patwa	Non Executive-Director	Nil
Mr. Hemendrabhai Bhailal Patel	Independent Director	Nil
Mrs. Vinita Pankaj Maheshwari	Independent Director	Nil
Mr. Jitendrakumar Dhanjibhai Patel*	Independent Director	Nil
Mr. Manan Girishbhai Gajjar#	Independent Director	Nil

\*Ceased to director w.e.f. 22.05.2022.

#inducted as Independent director w.e.f 30.06.2022

**Stakeholders' Relationship Committee**

❖ **Terms of Reference**

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

**Composition**

The Stakeholders' Relationship Committee (SRC) as on March 31, 2023, comprised of three Independent Directors as its members. The Chairman of the Committee Mrs. vinita Maheshwari is a Non-Executive Independent Director of the Company.

**Meetings**

During the year ended March 31, 2023, the SRC committee met (One) time on 30/06/2022

The attendance of Members at the Meetings was as follows:

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

**NUMBER OF REQUESTS/COMPLAINTS**

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

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

Particulars	Opening Balance	Received	Resolved	Pending
SEBI	0	0	0	0
Stock Exchange	-	-	-	-
Dividend Related	-	-	-	-
Transmission/ Transfer	-	-	-	-
Demat/Remat	-	-	-	-

**COMPLIANCE OFFICER**

Ms. Ami Doshi was appointed as company secretary and compliance officer of the company w.e.f. 01/04/2022. However she resigned from the post of company secretary and compliance officer of the company w.e.f. 30/09/2022. As on the date of this report, Ms. Anuja Jain is company secretary and compliance officer of the company.

**Other information:****Independent Directors' Familiarization Program**

The Independent Directors of Company are eminent personalities having wide experience in the field of business, finance, education, industry, commerce and administration. Their presence on the Board has been advantageous and fruitful in taking business decisions. As required under Regulation 46 of the SEBI (LODR) Regulations, 2015, the terms and conditions of appointment of independent directors including their role, responsibility and duties are disclosed on the Company's website.

When a new Independent Director is appointed on the Board of the Company, a meeting is arranged with the Chairman, Managing Director, Deputy Managing Director, Executive Director, Chief Financial Officer and Company Secretary of the Company to brief him/her about the Company, nature of the industries in which the Company operates, its businesses, key customers, business module wise performance, the salient features of the industries to which the Company supplies its goods and other relevant information.

A newly appointed Independent Director is provided with an appointment letter incorporating the role, rights, duties and responsibilities, remuneration and performance evaluation process, insurance cover and obligations on disclosures, as may be applicable to them. They are also provided with copy of latest Annual Report, the SAL Code of Conduct, the SAL Code of Conduct for Prevention of Insider Trading, Code for Independent Directors provided in Schedule IV of the Companies Act, 2013.

The Directors get an opportunity to visit Company's plants, where plant heads apprise them of the operational and sustainability aspects of the plants to enable them to have full understanding on the activities of the Company and initiatives taken on safety and quality etc. During Board Meetings/Audit Committee Meetings, Directors are also informed about business performance, operations, market share financial parameters, working capital management, fund flows, major litigation, compliances, CSR activities, regulatory scenario etc. Directors are also informed on the various developments in the Company through e-mail (s) and other modes by the Chairman/Managing Director/Deputy Managing Director/Company Secretary.

**Fulfilment of the independence criteria by the Independent Directors:**

Independent Directors are non-executive directors as defined under Regulation 16(1)(b) of the SEBI(LODR) Regulations read with Section 149(6) of the Companies Act, 2013 along with rules framed there under. Based on the declarations received from the Independent Directors, the Board of Directors has confirmed that they meet the criteria of independence as mentioned under Regulation 16(1)(b) of the SEBI (LODR) Regulations and that they are Independent of the management. In terms of Regulation 25(8) of SEBI (LODR) Regulations, the Independent Directors have confirmed that they are not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact their ability to discharge their duties.

Further, the Independent Directors have declared that they have complied with Rule 6(1) & (2) of the Companies (Appointment of Directors) Rules, 2014.

**SUBSIDIARY COMPANY**

**Name of the material subsidiaries:** SAGARDEEP ENGINEERS PRIVATE LIMITED

**Date of Incorporation:** 03/01/2011

**Registered Address:** Plot No. 2070, Rajnagar Patiya , Santej Khatri Road ,Santej Kalol Gandhinagar GJ 382721 In

**Email:** [secretary@sdalloys.com](mailto:secretary@sdalloys.com)

**Statutory Auditor of the Company:** Piyush J Shah & Co. has been appointed as Statutory Auditor of the Company with effect from 30.11. 2021 for the term of 5 years till the Conclusion of AGM held in the Year 2026.



The Company has formulated a policy for determining Material Subsidiary and Sagardeep Engineers Private Limited comes under the purview of the unlisted material subsidiary as per criteria given under "Explanation to Regulation 24(1) of the SEBI Listing Regulations". Mr. Hemendrabhai Bhailal Patel, Independent Director of the Company, holding company (Sagardeep Alloys Limited) has also been appointed as a Director on the Board of Sagardeep Engineers Private Limited. Mr. Hemendrabhai Bhailal Patel, Independent Director of the Company, has been resigned from the Board of Director of the Company with effect from 22.03.2023 and Mr Manan Girishbhai Gajjar has been Appointed as Independent director from the Board of Sagardeep Alloys Limited in the Sagardeep Engineers Private Limited. The Audit Committee of the Company reviews the Financial Statements and Investments made by unlisted subsidiary company and the minutes of the unlisted subsidiary companies are being placed periodically at the Board Meeting of the Company.

Sagardeep Alloys Limited has provided loans and Advances to its Subsidiary Sagardeep Engineers Private Limited of Rs. 102.71 (' in lakhs').

## POSTAL BALLOT

During the previous year, your Company has not passed any resolution through postal ballot covered under Section 110 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014 (including any statutory amendment(s) or re-enactment(s) made there under).

## GENERAL BODY MEETINGS

The last Three (3) Annual General Meetings of the Company were held as under:

Financial YearSS	Date	Venue	Time	No. of Special Resolution Passed
2021-22	22 <sup>th</sup> September, 2022	Through Video Conferencing / Other Audio-Visual Means	12.30 P.M.	1
2020-21	17 <sup>th</sup> September, 2021	Through Video Conferencing / Other Audio-Visual Means	12.30 P.M.	2
2019-20	27 <sup>th</sup> August, 2020	Through Video Conferencing / Other Audio-Visual Means	11.30 A.M.	2

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

### Annual General Meeting held on 22thSeptember 2022

- Appointment of Mr. Manan Girishbhai Gajjar (DIN: 09659075) as Independent Director of the company w.e.f 30.06.2022 for a period of three year.

### Annual General Meeting held on 17thSeptember 2021

- Re-appointment of Mr. Satishkumar Mehta (DIN: 01958984) as Managing Director of the company w.e.f 30.12.2021 for a period of three year.
- Re-appointment of Mr. Jayeshkumar Mehta (DIN: 02156140) as Managing Director of the company w.e.f 30.12.2021 for a period of three year

### Annual General Meeting held on 27th August 2020

- Re-appointment of Mr. Patel Hemendrabhai Bhailal (DIN: 01827562) as an Independent Director.
- Re-appointment of Mrs. Vinita Pankaj Maheshwari (DIN: 07187365) as an Independent Women Director.

## MEANS OF COMMUNICATION

<b>Financial Results</b>	The quarterly, half-yearly and annual results are published in two newspaper i.e. 'Free Press' in English and 'Lok Mitra' in Gujarati and are displayed on the website of the Company <a href="http://www.sdalloys.com">www.sdalloys.com</a> .
<b>Website</b>	The Company's website <a href="http://www.sdalloys.com">www.sdalloys.com</a> provides comprehensive information about its portfolio of businesses. Section on "Investors" serves to inform and service the Shareholders allowing them to access information at their convenience. The quarterly shareholding pattern of the Company is available on the website of the Company as well as the stock exchanges. The entire Annual Report and Accounts of the Company will also be made available on the websites of the Stock Exchanges. Annual Report and accounts of the Company and its subsidiaries will be available on the website of the Company in downloadable format
<b>Filing with Stock Exchanges</b>	Information to Stock Exchanges is now being also filed online on NEAPS for NSE
<b>Annual Report</b>	Annual Report is circulated to all the members and all others like auditors, secretarial auditor, equity analysts etc
<b>Presentations/ Investor call made to Institutional Investors and Analysts</b>	The schedule of analyst/institutional investor meets and presentations if made to them are placed on the website of the Company.

**Compliance Monitoring System**

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

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

**CMD / CFO Certification**

Chairman & Managing Director and Chief Financial Officer have certified to the Board with respect to the financial statements, internal controls and other matters as required under Listing Regulations.

**GENERAL SHAREHOLDERS' INFORMATION****ANNUAL GENERAL MEETING**

The AGM of the Company to be convened on Thursday, 21st September 2023 at 1.00 p.m. through Video Conferencing /Other Audio-Visual Means. The detailed procedure to attend and vote in AGM is provide to notes of Notice of Annual General Meeting.

**FINANCIAL YEAR**

The financial year of the Company is from April 1, 2022 to March 31, 2023

**FINANCIAL CALENDAR**

<b>Annual Results of 2022-23</b>	24 <sup>rd</sup> May, 2023
<b>First Quarter Results*</b>	14 <sup>th</sup> August, 2023
<b>Second Quarter results*</b>	14 <sup>th</sup> November, 2023
<b>Third Quarter results*</b>	14 <sup>th</sup> February, 2024
<b>Fourth Quarter* / Annual results</b>	30 <sup>th</sup> May, 2024

\*Tentative Dates

**BOOK CLOSURE**

The dates of book closure are from Friday 22nd September, 2023 to Thursday 28th September, 2023

**DIVIDEND**

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

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

**LISTING OF EQUITY SHARES ON STOCK EXCHANGES**

The equity share of the company is listed on National Stock Exchange (NSE).

**LISTING FEES TO STOCK EXCHANGES**

The Company has paid the Listing Fees for the year 2023-2024 to the above Stock Exchanges.

**CUSTODIAL FEES TO DEPOSITORIES**

The Company has paid custodial fees for the year 2022-2023 to National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL).

**RECONCILIATION OF SHARE CAPITAL AUDIT**

A practicing Company Secretary carried out secretarial audit in each of the quarters in the financial year 2022-23, to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and total issued and listed capital. The audit reports confirm that the total issued / paid up capital is in agreement with the total number of shares in physical form and the total number of dematerialized shares held with depositories.

**RELATED PARTY TRANSACTIONS:**

The Company ensures that all transactions to be entered into with Related Parties as defined under the Companies Act, 2013, and Regulation 23 of the SEBI (LODR) Regulations during the financial year are in the ordinary course of business and on arm's length pricing basis and do not attract the provisions of Section 188 of the Companies Act, 2013. Further, there were no materially significant transactions with related parties during the financial year which were in conflict with the interest of the Company. Suitable disclosures as required by the Indian Accounting Standard (Ind AS 24) have been made in the notes to the Financial Statements.

The Board approved policy for related party transactions is available on the Company's website.

**DETAILS OF NON-COMPLIANCE**

There was no non-compliance during the year and no penalties were imposed or strictures passed on the Company by the Stock Exchanges, SEBI or any other Statutory Authority

A practicing Company Secretary has certified the compliance of the conditions of Corporate Governance and annexed the certificate with the Directors' Report and sent the same to all the shareholders of the Company. The certificate shall also be sent to all the concerned Stock Exchanges along with the Annual Report filed by the Company.

**STOCK CODE/SYMBOL:**

<b>Symbol(NSE)</b>	<b>SAGARDEEP</b>
<b>ISIN</b>	<b>INE976T01013</b>
<b>Corporate Identification Number</b>	<b>L29253GJ2007PLC050007</b>

**DISTRIBUTION OF SHAREHOLDING AS ON 31.03.2023:**

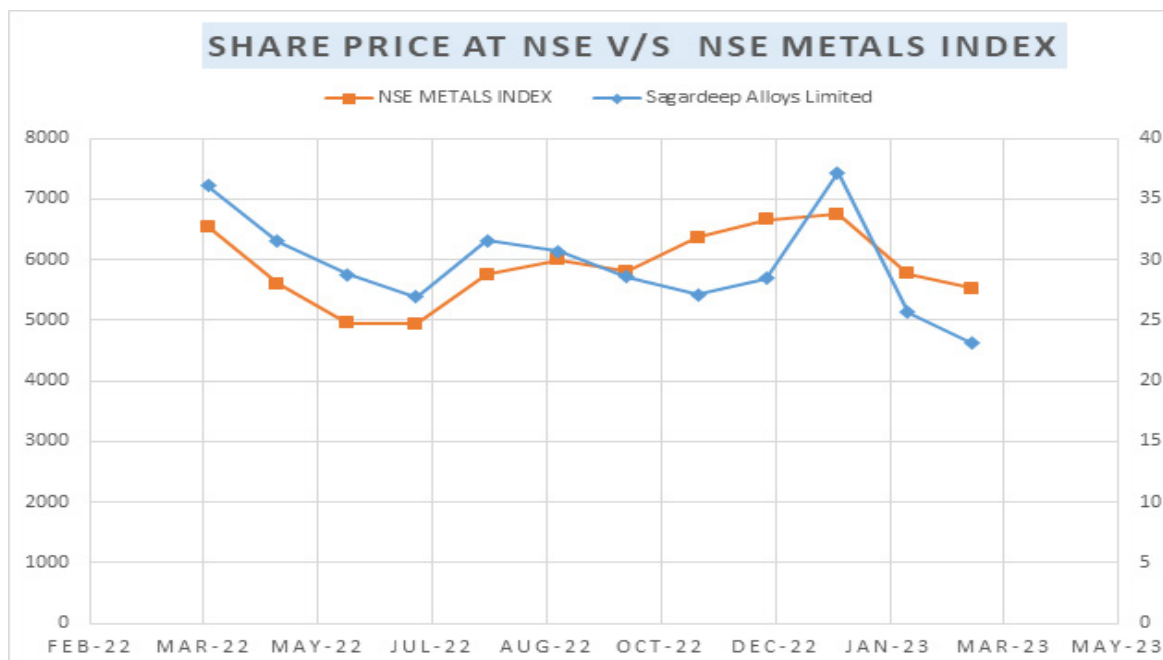
Sr. No.	Shareholding of Shares	Number of Shareholders	% of Total Shareholders	Shares	% of Total Share Capital
1	1 to500	13869	89.6393	1359634	7.9709
2	501 to1000	871	5.6295	687214	4.0288
3	1001 to2000	411	2.6564	610218	3.5774
4	2001 to3000	109	0.7045	268491	1.5740
5	3001 to4000	64	0.4137	228218	1.3379
6	4001 to5000	39	0.2521	182050	1.0673
7	5001 to10000	68	0.4395	474870	2.7840
8	10001 to above	41	0.2650	13246705	77.6596
	<b>TOTAL</b>	<b>15472</b>	<b>100.0000</b>	<b>17057400</b>	<b>100.0000</b>

**STOCK MARKET DATA FOR THE YEAR 2022-2023:**

Month	SAGARDEP Stock Price		
	High	Low	Month Closes
<b>2022</b>			
April	40.95	32.25	0.65
May	35.85	28.15	29.80
June	32.10	23.35	25.70
July	28.50	24.10	26.75
August	40.60	26.05	31.25
September	32.90	27.90	29.95
October	31.00	25.80	27.75
November	28.60	25.55	26.85
December	33.75	25.10	28.20
<b>2023</b>			
January	30.30	26.10	27.35
February	28.45	23.00	24.15
March	26.20	17.85	20.15

## SAGARDEEP ALLOYS LIMITED

### PERFORMANCE IN COMPARISON TO BROAD-BASED INDICES SUCH AS NSE INDEX, CRISIL INDEX ETC;



### PLANT

#### LOCATIONS

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

#### ADDRESS OF RTA:

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

#### ADDRESS FOR CORRESPONDENCE

Ms. Anuja Jain  
Plot No. 2070, Rajnagar Patiya, Santej Khatraj Road,  
Santej Kalol Gandhinagar- 382721

### SHARE TRANSFER SYSTEM

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

### DEMATERIALIZATION OF SHARES AND LIQUIDITY

The entire shareholding of the Company is dematerialization form.

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

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

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

**COMMODITY PRICE RISK OR FOREIGN EXCHANGE RISK AND HEDGING ACTIVITIES**

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

**SHAREHOLDERS GRIEVANCES**

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

**DISCLOSURES:**

- A. The Company has followed all relevant Accounting Standards while preparing the Financial Statements.
- B. There are no cases where the Board had not accepted any recommendation of any Committee of the Board which is mandatorily required during the Financial Year 2022-23.
- C. No funds were raised by the Company through Preferential allotment or by way of a Qualified Institutions Placement during the F.Y 2022-23
- D. the Company has obtained Certificate from Mr. Devesh Khandelwal, Practicing Company Secretary confirming that Directors have not been debarred or not been disqualified from being appointed or continuing as Directors by SEBI/ MCA or any other authority.
- F. The policy for determining material subsidiaries and related party transactions is available on our website [www.sdalloys.com](http://www.sdalloys.com).
- G. There are no shares lying in the demat suspense account or unclaimed suspense account.
- H. During the financial year, no debt instruments or any fixed deposit programme or any scheme or proposal involving mobilization of funds, whether in India or abroad have been issued by the company and hence no credit ratings have been obtained by the entity.

**Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:**

- a) No. of complaints filed during the financial year 2022-23 : 0
- b) No. of complaints disposed of during the financial year 2022-23: 0
- c) No. of complaints pending as on 31.03.2023: 0

**VIGIL MECHANISM /WHISTLE BLOWER POLICY**

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

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

**STATUTORY AUDITORS**

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

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

M/s Piyush J Shah & Co., Chartered Accountants (Firm Registration No.) have been appointed as the Statutory Auditors of the Company. The particulars of payment of Statutory Auditors' fees, on consolidated basis are given below:

Particulars	Amount
Audit fees	2,15,000

There is no adverse Qualification by the Auditors' of the Company, please refer not 20(1) of Directors' Report.

Reporting of Internal Auditor: The Internal Auditor reports to the Audit Committee.

**PROHIBITION OF INSIDER TRADING**

Pursuant to Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 (SEBI Insider Trading Regulations) the Company has adopted its Securities Dealing Code ('Code') for prevention of insider trading. The objective of the Code is to prevent dealing in the shares of the Company by an Insider while in possession of information known only to them, and not yet made publicly available by the Company, which, when made publicly available, can materially impact the price of the Company's securities. The code lays down guidelines to the identified employees and creates the necessary framework for transacting in the Company's securities, seeking prior clearance for

transactions wherever necessary, and a mechanism for periodical reporting of transactions. The objective of the Code is to prevent purchase and/or sale of shares of the Company by an Insider on the basis of unpublished price sensitive information. Under this Code, Designated Persons (Directors, Advisors, Officers and other concerned employees/ persons) are prevented from dealing in the Company's shares during the closure of Trading Window. To deal in securities beyond specified limit, permission of Compliance Officer is also required. All the Designated Employees are also required to disclose related information periodically as defined in the Code. Directors and designated employees who buy and sell shares of the Company are prohibited from entering into an opposite transaction i.e. sell or buy any shares the Company during the next six months following the prior transactions.

Pursuant to the enactment of the SEBI (Prohibition of Insider Trading) (Amendment) Regulations, 2018, the Company has suitably modified the provisions of the Code which are effective from 1st April 2019. Ms. Ami Doshi, Company Secretary has been designated as the Compliance Officer. Ms. Ami Doshi is the Chief Investor Relations Officer of the Company w.e.f. 01/04/2023.

The Company also formulated Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information which is available on Company's Website [www.sdalloys.com](http://www.sdalloys.com)

Awareness sessions/workshops on Governance practices:

Employees across the Company are being sensitized about the various policies and governance practices of the Company. The Company has in-house training workshops on Corporate Governance with the help of an external faculty covering basics of Corporate Governance as well as internal policies and compliances under Code of Conduct, Whistle Blower Policy, Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013, SEBI Insider Trading Regulations, etc.

#### **SECRETARIAL AUDIT AS PER SEBI REQUIREMENTS:**

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

#### **SECRETARIAL AUDIT AS PER COMPANIES ACT, 2013:**

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

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

#### **GROUP GOVERNANCE:**

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

Non-Compliance of any Requirement of Corporate Governance:

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

#### **CODE OF CONDUCT**

The Company has laid down a Code of Conduct for all Board members and senior management personnel. The Code of Conduct is available on the website of the Company, [www.sdalloys.com](http://www.sdalloys.com). The declaration of Chief Executive Officer & Managing Director is given below:



**TO THE SHAREHOLDERS OF  
SAGARDEEP ALLOYS LIMITED****Sub:** Compliance with Code of Conduct

In terms of requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, I hereby declare and certify that all the Board members and senior management personnel of Sagardeep Alloys Limited have affirmed compliance with the code of conduct adopted by the Company for the year 2022-23.

Date: 23/08/2023  
Place: Santej (Kalol)

**Satish Mehta**  
Managing Director  
(DIN: 01958984)

**MANAGING DIRECTOR AND CFO CERTIFICATION**

The Board of Directors  
**Sagardeep Alloys Limited,**  
Santej, Gandhinagar

Dear members of the Board,

We, Satishkumar Asamal Mehta, Managing Director, and Jayeshkumar Asamal Mehta, Chief Financial Officer and Whole time Director of **Sagardeep Alloys Limited**, to the best of our knowledge and belief, certify that:

- (a) We have reviewed the financial statements and the cash flow statement for the financial year ended 31st March, 2023 and to the best of our knowledge and belief, we state that:
  - (i) these statements do not contain any materially untrue statement or omit any material fact or contain any statements that might be misleading;
  - (ii) these statements together present a true and fair view of the Company's affairs and are in compliance with the existing accounting standards, applicable laws and regulations.
- (b) We further state that to the best of our knowledge and belief, there are no transactions entered into by the Company during the year, which are fraudulent, illegal or violative of the Company's Code of Conduct.
- (c) We hereby declare that all the members of the Board of Directors and Management Committee have confirmed compliance with the Code of Conduct as adopted by the Company.
- (d) We are responsible for establishing and maintaining internal controls and for evaluating the effectiveness of the same over the financial reporting of the Company and have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies
- (e) We have indicated, based on our most recent evaluation, wherever applicable, to the Auditors and Audit Committee:
  - (i) significant changes, if any, in the internal control over financial reporting during the year;
  - (ii) significant changes, if any, in the accounting policies made during the year and that the same has been disclosed in the notes to the financial statements; and
  - (iii) instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having significant role in the Company's internal control system over financial Reporting.

Date: 23/08/2023

**Jayesh Mehta**  
CFO & WTD  
(DIN: 02156140)

**Satish Mehta**  
Managing Director  
(DIN: 01958984)

## CERTIFICATE ON CORPORATE GOVERNANCE TO THE MEMBERS OF SAGARDEEP ALLOYS LIMITED

To  
The Members,  
**SAGARDEEP ALLOYS LIMITED,**  
Ahmedabad

I have examined the compliance of conditions of Corporate Governance by Lincoln Pharmaceuticals Limited for the purpose of certifying compliance of the conditions of Corporate Governance as prescribed under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the Listing Regulations") for the Financial Year ended March 31, 2023. I have obtained all the information and explanations, which to the best of my knowledge and belief were necessary for the purpose of certification.

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

On the basis of my examination of the records produced, explanations and information furnished, I certify that the Company has complied with all the mandatory conditions of the Corporate Governance, as stipulated in Regulations 17 to 27 and clauses (b) to (i) of Regulation 46 (2) and Paragraphs C, D and E of Schedule V of the Listing Regulations, during the year ended on March 31, 2023.

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

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

**Devesh Khandelwal**  
Proprietor  
FCS: 6897  
COP No.:4202  
PR No:- 863/2020  
UDIN: F006897E000781792

Place: Ahmadabad  
Date: 10.08.2023

**CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS**

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

To,  
The Members,  
**SAGARDEEP ALLOYS LIMITED,**  
Santej Kalol,  
Gandhinagar-382721

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

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to me by the Company and its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial year ending on 31st March, 2023 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

Sr. No.	Name of Director	DIN	Date of Appointment in Company
1.	SatishkumarAsamal Mehta	01958984	13/02/2007
2.	Mehta JayeshkumarAshmal	02156140	05/05/2008
3.	Patel HemendrabhaiBhailal	01827562	28/08/2015
4.	Vinita Pankaj Maheshwari	07187365	28/08/2015
5.	JitendrakumarDhanjibhai Patel*	07369309	23/02/2017
6.	Parimal Patwa	00093852	22/05/2020
7.	Manan Girishbhai Gajjar#	09659075	30/06/2022

\*ceased to appointed as Independent Director w.e.f. 22nd May,2022

# appointed as Independent Director w.e.f. 30th June,2022

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

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

**Devesh Khandelwal**  
Proprietor  
FCS: 6897,  
COP No.:4202  
PR No:- 863/2020  
UDIN: F006897E000781792

Place: Ahmadabad  
Date: 10.08.2023

## INDEPENDENT AUDITORS' REPORT

To,  
The Members of  
**Sagardeep Alloys Limited**

### REPORT ON THE AUDIT OF THE STANDALONE FINANCIAL STATEMENTS

#### Opinion

We have audited the accompanying standalone financial statements of Sagardeep Alloys Limited ("the Company"), which comprise the Standalone Balance Sheet as at 31st March, 2023, the Standalone Statement of Profit and Loss (including other comprehensive income), Standalone Statement of Changes in Equity and the Standalone Cash Flows for the year then ended and notes to the standalone financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March 2023, and profit and other comprehensive income, changes in equity and its cash flows for the year ended on that date.

#### Basis of Our Opinion

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

#### Key Audit Matters

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

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

#### Other Information

The Company's Management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's annual report, but does not

include the financial statements and our auditors' report thereon. The Company's annual report is expected to be made available to us after the date of this auditor's report.

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

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

When we read the Company's annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take necessary actions, as applicable under the relevant laws and regulations.

#### Management's and Board of Directors' Responsibility for The Standalone Financial Statements

The Company's Management and Board of Directors are responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the state of affairs, profit/ loss and other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (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 standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

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

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high

level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

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

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

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

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

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

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

#### **REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS**

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. A. As required by Section 143(3) of the Act, we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - c) the standalone balance sheet, the standalone statement of profit and loss dealt with by this Report are in agreement with the books of account.
  - d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - e) On the basis of the written representations received from the directors as on 31st March, 2023, taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2023, from being appointed as a director in terms of Section 164 (2) of the Act.
  - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the company's internal financial control over financial reporting.
- B. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  1. The company has disclosed the impact of pending litigation on its standalone financial position in its financial statement.
  2. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  3. There was no amount which are required to be transferred, to the investor's education and protection fund by the company.



4. i) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company or its subsidiary companies incorporated in India to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall:
- directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Holding Company or its subsidiary companies incorporated in India or
  - provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries
- ii) The management has represented, that, to the best of its knowledge and belief, no funds have been received by the Holding Company or its subsidiary companies incorporated in India from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company or its subsidiary companies incorporated in India shall:
- directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Funding Parties or
  - provide any guarantee, security or the like from or on behalf of the Ultimate Beneficiaries.
- iii) Based on such audit procedures as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (d) (i) and (d)(ii) contain any material mis-statement.
5. The dividend declared or paid during the year by the Holding Company and its subsidiary companies incorporated in India are in compliance with section 123 of the Act.
- C. With respect to the matter to be included in the Auditors' report under Section 197(16) of the Act:
6. In our opinion and according to the information and explanation given to us, the remuneration paid during the current year by the Holding Company and its subsidiaries which are incorporated in India to its directors is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director by the Holding Company and its subsidiaries which are incorporated in India, is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) of the Act which are required to be commented upon by us.

**For Piyush J. Shah & Co.**

Chartered Accountants

FRN: 121172W

**Piyush J. Shah**

Partner

M. No: 108670

UDIN: 23108670BHAML9442

Place: Ahmedabad

Date: 24th May, 2023

**Annexure A to the Independent Auditor's report on the standalone financial statements of Sagardeep Alloys Limited for the year ended 31 March 2023**

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Sagardeep Alloys Limited of even date)

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

i. In respect of The Company's Property, Plant and Equipment and Intangible assets:

- (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment and relevant details of right-of-use assets.
- (B) The company does not have intangible assets. Hence reporting under clause (i) (a) (B) of the Order is not applicable to the Company.
- (b) According to the information and explanations given to us, the Company has a program of physical verification of Property, Plant and Equipment and right-of-use assets so to cover all the assets once every three years which, in our opinion, is reasonable having regard to the size of the company and the nature of its assets. Pursuant to the program, certain Property, Plant and Equipment were due for verification during the year and were physically verified by Management during the year. According to the information and Explanations given to us, no material discrepancies were noticed on such verification.
- (c) According to the information and explanations given to us and Based on our examination of property tax receipts and lease agreement for land on which Building is constructed, registered sale deed /transfer deed/ conveyance deed provided to us, we report that, the title in respect of self-constructed buildings and title deeds of all other immovable properties (other than properties where the

company is the lessee and the lease agreements are duly executed in favour of the lessee), disclosed in the financial statements included under Property, Plant and Equipment are held in the name of the Company as at the balance sheet date.

- (d) According to the information and explanations given to us, the Company has not revalued any of its Property, Plant and Equipment (including right-of-use assets) and intangible assets during the year.
- (e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, No proceedings have been initiated during the year or are pending against the company as at March 31, 2023 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- ii. (a) The physical verification of inventory has been conducted at reasonable intervals by the management and in our opinion the coverage and procedure of such verification by the management is appropriate. There is no discrepancies of 10% or more in the aggregate for each class of inventory was noticed.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has sanctioned working capital limits in excess of ₹ 5.00 crores, in aggregate, during the year, from banks financial institutions on the basis of security of current assets. The quarterly returns and statement filed by the company with such banks or financial institutions are in agreement with the books of accounts of the company.

(In Lakhs)

Quarter ended on	Value of Inventories as submitted in Bank	Value of Inventories as per Financial Statements	Difference
30 <sup>th</sup> June 2022	1,170.30	745.29	(425.01)
30 <sup>th</sup> September 2022	1,040.72	497.64	(543.08)
31 <sup>st</sup> December 2022	1,324.95	803.92	(521.03)
31 <sup>st</sup> March 2023	991.61	594.04	397.57

iii. The company has made investments in companies, firms, LLPS and granted unsecured loans to other parties, during the year, in respect of which:

- (a) The company has given loan and stood guarantee for loan availed by the Subsidiary Company as follows:

(In Lakhs)

Sr. No.	Name of the Company	Opening Amount	Additions	Repayment	Closing	Nature
1.	Sagardeep Engineers Private Limited	5.52	110.34	102.71	13.15	Loan

- (b) In our opinion, the investment made and the terms and conditions of the grant of loans, during the year are, prima facie, not prejudicial to the Company's interest.
- (c) In respect of the loans granted by the company, the schedule of repayment of principal and payment of interest has not been stipulated and therefore the repayments of principal amounts and receipts of interest are generally been regular as per situation.

- (d) In respect of loans granted by the company, there is no overdue amount remaining outstanding as at the balance sheet date.
- (e) No loan granted by the company which has fallen due during the year, has been renewed or extended or fresh loans granted to settle the overdue of existing loans given to the same parties.
- (f) The company has granted loans and advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment during the year.

(₹ In Lakhs)

Sr. No.	Name of the Company	Opening Amount	Additions	Repayment	Closing	Nature
1.	ANB Solutions Pvt Ltd	90.00	19.80	9.90	99.90	Loan
2.	Rajeshwar Recycling Co.	-	433.23	230.70	201.53	Loan
3.	Kalpatru Metal & Alloys	-	60.35	60.34	0.01	Loan
4.	Manibhadra Steel	-	51.88	51.78	0.10	Loan
5.	Krishnakant Somani	1.70	-	-	1.70	Loan

- iv. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has complied with the provisions of sections 185 and 186 of the Companies Act, 2013 in respect of loans granted, investments made and guarantees and securities provided, as applicable.
- v. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the company has not accepted any deposit or amounts which are deemed to be deposits. Hence, reporting under clause 3(v) of the order is not applicable.
- vi. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the maintenance of cost records has not been specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013 for the business activities carried out by the company. Hence reporting under clause (vi) of the Order is not applicable to the Company.
- vii. In respect of statutory dues:
- (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company,, the company has generally been regular in depositing undisputed statutory dues, including GST, Provident fund, Income Tax, Sales Tax, duty of custom, VAT, Cess and other material statutory dues applicable to it with appropriate authorities.
- According to the information and explanations given to us and on the basis of our examination of the records of the Company, there were no undisputed amounts payable in respect of GST, Provident Fund, VAT, Income Tax, Sales Tax, Cess and other material statutory dues in arrears as at March 31, 2023 for a period of more than six months from date they become payable.
- (b) According to the information provided there are no statutory dues which have not been deposited as on March 31, 2023 on account of disputes.
- viii. According to the information and explanations given to us and on the basis of our examination of the records of the Company, there were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in tax assessments under the Income Tax Act, 1961(43 of 1961).
- ix. (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the company has not been declared wilful defaulter by any bank or financial institutions or government or any government authority.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the company has not taken any term loan during the year and there are no outstanding term loans at the beginning of the year and hence, reporting under clause 3(ix) (c) of the order is not applicable.
- (d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, on an overall examination of the financial statements of the company, the funds raised on short term basis have, prima facie, not been used for long term purposes by the company.
- (e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.
- (f) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the company has not raised any loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies and hence reporting on clause 3(ix)(f) of order is not applicable.
- x. (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the company has not raised the money by the

(₹ In Lakhs)

Demand under the Act	Pending At	Assessment Year	Amount
The Income Tax Act, 1961	Tribunal	2011-12	333.55/-

Way of initial public offer or further public offer (including debt instrument) during the year hence reporting under clause 3(x) (a) of order is not applicable.

- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, during the year the company has not made any preferential allotment or private placement of shares or convertible debenture (fully or partly or optionally) and hence reporting under clause 3(x) (b) of the order is not applicable.
- xi. (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.
- (b) According to the information and explanations given to us, no report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-1 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.
- (c) According to the information and explanations given to us, the Company/Management has not received any whistleblower complaints, hence reporting under clause xi(c) of the order is not applicable.
- xii. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the company is not a Nidhi Company and hence reporting under clauses (xii) of the Order is not applicable.
- xiii. According to the information and explanations given to us and on the basis of our examination of the records of the Company, in our opinion, the company is in compliance with Section 177 and 188 of the Companies Act, 2013 with respect to applicable transactions with the related parties and the details of related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.
- xiv. (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, in our opinion the Company has an adequate internal audit system commensurate the size and the nature of its business.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, we have considered, the internal audit reports for the year under audit, issued to the company during the year and till date in determining the nature, timing and extent of our audit procedure.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, in our opinion during the year the Company has not entered into with its Directors or persons connected with its directors, and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.
- xv. (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, in our opinion, the Company is not required to be registered under section 45-1A of the Reserve Bank of

India Act, 1934. Hence, reporting under clause 3(xvi) (a), (b) and (c) of the Order is not applicable.

- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, in our opinion, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions 2016) and accordingly reporting under clause 3(xvi) (d) of the Order is not applicable.
- xvi. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.
- xvii. There has been no resignation of statutory auditors of the company during the year.
- xviii. According to the information and explanations given to us and on the basis of our examination of the records of the Company, on the basis of financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the board of directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of audit report indicating that company is not capable of meeting its liability existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however state that this is not an assurance as to future viability of the company. We further state that our reporting is based on the facts up to the date of audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the company as and when they fall due.
- xix. (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Section 135 and related provisions of the CSR is not applicable to the company, therefore reporting under clause 3(xx)(a) of the order is not applicable.
- (b) The Section 135 and related provisions of the CSR is not applicable to the company, therefore reporting under clause 3(xx)(b) of the order is not applicable.
- xx. According to the information and explanations given to us and on the basis of our examination of the records of the Company, there have been no qualifications or adverse remarks by the respective auditors in the Companies (Auditor's Report) Order (CARO) reports of the companies included in the consolidated financial statements.

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

**Piyush J. Shah**  
Partner

Place: Ahmedabad  
Date: 24th May, 2023

M. No: 108670  
UDIN: 23108670BHAML9442

## ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT ON THE STANDALONE FINANCIAL STATEMENTS OF SAGARDEEP ALLOYS LIMITED FOR THE YEAR ENDED 31 MARCH 2023

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

(Referred to in paragraph 2(A)(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

#### Opinion

We have audited the internal financial controls over financial reporting of Sagardeep Alloys Limited ("the Company") as of 31st March 2023 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

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

The Company's management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013 (hereinafter referred to as "the Act").

#### Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and whether such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls 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 the internal control based on the assessed risk. The procedure selected depends on the auditor's judgement, including the assessment of 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 internal financial controls over financial reporting.

### Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial controls 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 controls with reference to financial statements include those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

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

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

#### Opinion

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at 31st March 2023, based on the internal financial controls 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 (the "Guidance Note").

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

**Piyush J. Shah**  
Partner

Place: Ahmedabad  
Date: 24th May, 2023

M. No: 108670  
UDIN: 23108670BHAML9442



## STANDALONE BALANCE SHEET AS AT 31ST MARCH, 2023

Amount in ₹ Lakhs

Particulars	Note	31-Mar-2023	31-Mar-2022
<b>I. ASSETS</b>			
<b>1 Non-current assets</b>			
(a) Property, plant & Equipment	02	940.47	988.14
(b) Capital work in progress	03	309.20	309.20
(c) Investment properties		-	-
(d) Goodwill		-	-
(e) Other intangible assets		-	-
(f) Intangible assets under development		-	-
(g) Biological assets other than bearer plants		-	-
(h) Financial assets			
(i) Investments in Subsidiaries	04	516.20	516.20
(ii) Trade receivables		-	-
(iii) Loans		-	-
(iv) Others	05	23.29	19.86
(i) Deferred tax assets (net)		-	-
(j) Other Non-current assets		-	-
		<b>1,789.16</b>	<b>1,833.40</b>
<b>2 Current assets</b>			
(a) Inventories	06	594.04	715.68
(b) Financial assets			
(i) Investments		-	-
(ii) Trade receivables	07	773.10	1,030.18
(iii) Cash and cash equivalents	08	5.00	501.58
(iv) Bank balance other than (iii) above	09	16.85	16.15
(v) Loans	10	25.40	145.21
(vi) Others		-	-
(c) Current tax assets (net)	11	15.21	34.43
(d) Other current assets	12	344.69	218.07
		<b>1,774.29</b>	<b>2,661.30</b>
<b>Total Assets</b>		<b>3,563.45</b>	<b>4,494.70</b>
<b>II. EQUITY AND LIABILITIES</b>			
<b>1 Equity</b>			
(a) Equity share capital	13	1,705.74	1,705.74
(b) Other equity	14	1,054.47	999.28
		<b>2,760.21</b>	<b>2,705.02</b>
<b>2 Liabilities</b>			
Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	15	114.79	244.71
(ia) Lease Liabilities		-	-
(ii) Trade payables		-	-
(iii) Other financial liabilities (other than those specified in (ii))		-	-
(b) Provisions	16	13.89	14.05
(c) Deferred tax liabilities (net)	17	38.34	51.93
(d) Other non-current liabilities		-	-
		<b>167.02</b>	<b>310.69</b>
<b>3 Current liabilities</b>			
(a) Financial liabilities			
(i) Borrowings	18	502.12	1,058.24
(ia) Lease Liabilities		-	-
(ii) Trade payables	19	73.49	339.58
(iii) Other financial liabilities (other than those specified in (ii))		-	-
(b) Other current liabilities	20	36.49	66.17
(c) Provisions	21	24.12	15.00
(d) Current tax liabilities (net)		-	-
		<b>636.22</b>	<b>1,478.99</b>
<b>Total Liability</b>		<b>3,563.45</b>	<b>4,494.70</b>

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

01 to 51

As per our report of even date

For Piyush J. Shah &amp; Co.

Chartered Accountants

FRN :- 121172W

Piyush J. Shah

Partner

M. No.:- 108670

UDIN :- 23108670BHAML9442

Place :- Ahmedabad

Date :- 24 May, 2023

For and on behalf of the Board of Directors

Satish A. Mehta

Director

DIN :- 01958984

Jayesh A. Mehta

Director/CFO

DIN :- 02156140

Anuja Jain

Company Secretary



## STANDALONE STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2023

Amount in ₹ Lakhs

Particulars	Note	2022-2023	2021-2022
<b>I. Revenue from operations</b>	22	8,707.84	9,067.85
<b>II. Other Income</b>	23	50.00	19.36
<b>III. Total Income (I + II)</b>		<b>8,757.84</b>	<b>9,087.21</b>
<b>IV. Expenses:</b>			
Cost of materials consumed	24	7,739.76	7,826.26
Purchase of stock in trade	25	252.31	529.01
Changes in Inventories of finished goods, stock in trade & WIP	26	31.65	17.24
Employee benefits expenses	27	63.61	79.18
Finance costs	28	55.89	105.47
Depreciation and amortization expense		71.51	77.06
Other expenses	29	468.26	376.90
<b>Total expenses (IV)</b>		<b>8,682.99</b>	<b>9,011.12</b>
<b>V. Profit/(Loss) before exceptional items and tax (III-IV)</b>		<b>74.86</b>	<b>76.09</b>
<b>VI. Exceptional items</b>		-	-
<b>VII. Profit/(Loss) before tax (V - VI)</b>		<b>74.86</b>	<b>76.09</b>
<b>VIII. Tax expenses</b>			
(1) Current tax		38.23	14.87
(2) Deferred tax		-13.59	14.04
(3) Short / (Excess) Provision		-3.34	-
<b>IX. Profit/(Loss) for the period from continuing operations (VII- VIII)</b>		<b>53.56</b>	<b>47.18</b>
<b>X. Profit/(Loss) for the period from discontinued operations</b>		-	-
<b>XI. Tax expenses of discontinued operations</b>			
<b>XII. Profit/(Loss) after tax for the period from discontinued operations (X-XI)</b>		-	-
<b>XIII. Profit/(Loss) for the period</b>		<b>53.56</b>	<b>47.18</b>
<b>XIV. Other comprehensive income</b>			
A (i) Items that will not be reclassified to profit or loss		1.63	3.15
(ii) Income tax relating to items that will not be reclassified to profit or loss		-	-
B (i) Items that will be reclassified to profit or loss		-	-
(ii) Income tax relating to items that will be reclassified to profit or loss		-	-
<b>XV. Total Comprehensive income for the period (XIII+XIV) (Comprising Profit/(Loss) and Other comprehensive income for the period)</b>		<b>55.19</b>	<b>50.33</b>
<b>XII. Earnings per equity share (for continuing operations):</b>			
(1) Basic	30	0.31	0.28
(2) Diluted		0.31	0.28
<b>XII. Earnings per equity share (for discontinued operations):</b>			
(1) Basic		-	-
(2) Diluted		-	-
<b>XII. Earnings per equity share (for discontinued &amp; continuing operations):</b>			
(1) Basic		0.31	0.28
(2) Diluted		0.31	0.28
The accompanying notes are an integral part of the financial statements.	01 to 51		

As per our report of even date

For Piyush J. Shah &amp; Co.

Chartered Accountants

FRN :- 121172W

Piyush J. Shah

Partner

M. No.:- 108670

UDIN :- 23108670BHAML9442

Place :- Ahmedabad

Date :- 24 May, 2023

For and on behalf of the Board of Directors

Satish A. Mehta

Director

DIN :- 01958984

Jayesh A. Mehta

Director/CFO

DIN :- 02156140

Anuja Jain

Company Secretary

## STANDALONE STATEMENT OF CASH FLOW FOR THE PERIOD ENDED 31ST MARCH, 2023

Amount in ₹ Lakhs

Particulars	31-Mar-2023	31-Mar-2022
<b>Cash flow from operating activities:</b>		
Net profit before tax as per statement of profit and loss	78.20	76.09
<b>Adjusted for:</b>		
Depreciation & amortization	71.51	77.06
Interest income on loans & advances given	(35.63)	(5.71)
Interest & finance costs	55.89	105.47
<b>Operating cash flow before working capital changes</b>	<b>169.97</b>	<b>252.91</b>
<b>Adjusted for:</b>		
(Increase)/ decrease in Inventories	121.63	154.87
(Increase)/ decrease in trade receivables	257.09	(332.53)
Increase/ (decrease) in trade payables	(266.10)	(117.47)
Increase/ (decrease) in other current assets	(107.40)	(21.34)
Increase/ (decrease) in other current liabilities	(29.69)	(77.70)
Increase/ (decrease) in long term provisions	(0.16)	(1.34)
Increase/ (decrease) in short term provisions	(20.47)	2.66
<b>Cash generated from / (used in) operations</b>	<b>124.87</b>	<b>(139.94)</b>
Income taxes paid	(7.00)	(8.00)
<b>Net cash generated from/ (used in) operating activities [A]</b>	<b>117.87</b>	<b>(147.94)</b>
<b>Cash flow from investing activities:</b>		
Purchase of property plant & equipment	(23.84)	(44.64)
Sale of Assets	-	12.48
Interest income on loans & advances given	35.63	5.71
Increase/ decrease in other Bank balance	(0.71)	-
(Increase)/ decrease in long term loans and advances	(3.42)	-
(Increase)/ decrease in short term loans and advances	119.82	99.61
<b>Net cash flow from/(used) in investing activities [B]</b>	<b>127.48</b>	<b>73.16</b>
<b>Cash flow from financing activities:</b>		
Increase in / Repayment of Long-Term Borrowings	(129.92)	82.81
Increase in / Repayment of Short-Term Borrowings	(556.12)	593.98
Interest & finance costs	(55.89)	(105.47)
<b>Net cash flow from/(used in) financing activities [C]</b>	<b>(741.93)</b>	<b>571.32</b>
<b>Net increase/(decrease) in cash &amp; cash equivalents [A+B+C]</b>	<b>(496.58)</b>	<b>496.54</b>
Cash & cash equivalents as at beginning of the period	501.58	5.04
Cash & cash equivalents as at end of the period (Refer Note: 08)	5.00	501.58
<b>Cash &amp; Cash equivalents consist of</b>		
Cash Balance	4.04	0.48
Current Account Balance	0.96	501.10
<b>Total</b>	<b>5.00</b>	<b>501.58</b>

The accompanying notes are an integral part of the financial statements. 01 to 51

The cash flow statement has been prepared under the indirect method as set out in Indian Accounting Standard (IND AS-7) Statement of Cash flows.

As per our report of even date

**For Piyush J. Shah & Co.**

Chartered Accountants

FRN :- 121172W

**Piyush J. Shah**

Partner

M. No.:- 108670

UDIN :- 23108670BHAML9442

Place :- Ahmedabad

Date :- 24 May, 2023

**For and on behalf of the Board of Directors**

**Satish A. Mehta**

Director

DIN :- 01958984

**Jayesh A. Mehta**

Director/CFO

DIN :- 02156140

**Anuja Jain**

Company Secretary

**STANDALONE STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED MARCH 31, 2023****A EQUITY SHARE CAPITAL:**

Amount in ₹ Lakhs

Particulars	Note No.	As at 31-Mar-2023	As at 31-Mar-2022
<b>Balance at the beginning of the reporting period</b>	<b>13</b>	<b>1,705.74</b>	<b>1,705.74</b>
Changes in Equity Share Capital due to prior period errors		-	-
Restated balance at the beginning of the current reporting period		1,705.74	1,705.74
Changes in equity share capital during the current year			
<b>Balance at the end of the year</b>		<b>1,705.74</b>	<b>1,705.74</b>

**B Other Equity:**

Amount in ₹ Lakhs

Particulars	Share application money pending allotment	Equity component of compound financial instruments	Reserves & Surplus		Other Comprehensive Income	Money received against share warrants	Total
			Securities premium reserves	Retained earnings			
<b>Balance as at April 01, 2022</b>	-	-	217.35	777.76	4.17	-	999.28
Changes in accounting policy or prior period errors	-	-	-	-	-	-	-
Restated balance at the beginning of the current reporting period	-	-	217.35	777.76	4.17	-	999.28
Profit/(Loss) for the period	-	-	-	53.56	-	-	53.56
Reclassification of OCI into Retained earning	-	-	-	-	-	-	-
Other comprehensive income for the year	-	-	-	-	1.63	-	1.63
Total comprehensive income for the year	-	-	-	53.56	1.63	-	55.19
<b>Balance as at March 31, 2023</b>	-	-	217.35	831.31	5.80	-	1,054.47
<b>Balance as at April 01, 2021</b>	-	-	785.93	730.58	1.02	-	1,517.53
Changes in accounting policy or prior period errors	-	-	-	-	-	-	-
Restated balance at the beginning of the current reporting period	-	-	785.93	730.58	1.02	-	1,517.53
Profit/(Loss) for the period	-	-	-	47.18	-	-	47.18
Reclassification of OCI into Retained earning	-	-	-	-	3.15	-	3.15
Utilized towards issue of Bonus Shares	-	-	(568.58)	-	-	-	(568.58)
Other comprehensive income for the year	-	-	-	-	-	-	-
Total comprehensive income for the year	-	-	-	47.18	3.15	-	50.33
<b>Balance as at March 31, 2022</b>	-	-	217.35	777.76	4.17	-	999.28

As per our report of even date

**For Piyush J. Shah & Co.**

Chartered Accountants

FRN :- 121172W

**Piyush J. Shah**

Partner

M. No.:- 108670

UDIN :- 23108670BHAML9442

Place :- Ahmedabad

Date :- 24 May, 2023

**For and on behalf of the Board of Directors****Satish A. Mehta**

Director

DIN :- 01958984

**Jayesh A. Mehta**

Director/CFO

DIN :- 02156140

**Anuja Jain**

Company Secretary

**Note: 1****Note: A****Corporate Information:**

Sagardeep Alloys Limited (CIN L29253GJ2007PLC050007) is incorporated under the Companies Act, 1956 with its registered office at Plot No. 2070, Rajnagar Patiya, Santej Khatraj Road, Santej, Kalol, Gandhinagar, Gujarat -382721. The shares of the company is listed on National Stock Exchange of India.

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

The financial statements for the year ended on 31st March, 2023 are approved by the Board of Directors and authorised for issue on 24 May, 2023.

**Basis of Preparation of Financial Statements:****1. Basis of Preparation and Presentation**

- i) The financial statements are prepared on historical cost basis in accordance with applicable Indian Accounting Standards (Ind AS) and on accounting principles of going concern except current investments which are measured at fair values. These financial statements have been prepared to comply with all material aspects with the Indian accounting standards notified under section 133 of the Act, (the "Act") read with Rule 7 of the Companies (Accounts) Rules, 2014, and the other relevant provisions of the Act.
- ii) Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policies hitherto in use.
- iii) As the quarter and year figures are taken from the source and rounded to the nearest digits, the figures already reported for all the quarters during the year might not always add up to the year figures reported in this statement.
- iv) All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Act. Based on the nature of products and the time between the acquisition of assets for processing and their realization in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current classification of assets and liabilities.

**2. Use of Estimates**

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

**3. Property, Plant and Equipment**

- i) Property, Plant and Equipment are stated at original cost (net of tax/duty credit availed) less accumulated depreciation and impairment losses. Cost includes cost of acquisition, construction and installation, taxes, duties, freight, other incidental expenses related to the acquisition, and pre-operative expenses including attributable borrowing costs incurred during pre-operational period.
- ii) Subsequent costs are included in the assets' carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably. The carrying amount of any component as a separate asset is derecognized when replaced. All other repairs and maintenance are charged to statement of profit and loss during the reporting period in which they are incurred.
  - a) Land and buildings held for use in the production or supply of goods or services, or for administrative purposes, are stated in the balance sheet at deemed cost less and accumulated depreciation. Freehold land is not depreciated.
  - b) Properties in the course of construction for production, supply or administrative purposes are carried at cost, less any recognised impairment loss. Cost includes professional fees and, for qualifying assets, borrowing costs capitalised in accordance with the Company's accounting policy. Such properties are classified to the appropriate categories of property, plant and equipment when completed and ready for intended use. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.
  - c) Fixtures and equipment are stated at cost less accumulated depreciation and accumulated impairment losses.
  - d) An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.
  - e) Subsequent expenditures related to an item of Tangible Asset are added to its book value only if they increase the future benefits from the existing asset beyond its previously assessed standard of performance.

- f) Assets which are not ready for their intended use on reporting date are carried as capital work-in-progress at cost, comprising direct cost and related incidental expenses.
- g) Useful lives of the Property, Plant and Equipment as notified in Schedule II to the Companies Act, 2013 are as follows :
  - Buildings - 3 to 60 years
  - Plant and Equipment - 15 to 25 years
  - Furniture and Fixtures - 10 years
  - Vehicles - 8 to 10 years
  - Office Equipment - 5 to 10 years
- h) At each balance sheet date, the Company reviews the carrying amount of property, plant and equipment to determine whether there is any indication of impairment loss. If any such indication exists, the recoverable amount of the assets is estimated in order to determine the extent of impairment loss. The recoverable amount is higher of the net selling price and the value in use, determined by discounting the estimated future cash flows expected from the continuing use of the asset to their present value.

#### 4. Intangible Assets

- i) Intangible assets acquired by payment e.g. Computer Software is disclosed at cost less amortisation on a straight-line basis over its estimated useful life.
- ii) Intangible assets are carried at cost, net of accumulated amortisation and impairment loss, if any.
- iii) Intangible assets are amortised on straight-line method, if any.
- iv) At each balance sheet date, the Company reviews the carrying amount of intangible assets to determine whether there is any indication of impairment loss. If any such indication exists, the recoverable amount of the assets is estimated in order to determine the extent of impairment loss. The recoverable amount is higher of the net selling price and the value in use, determined by discounting the estimated future cash flows expected from the continuing use of the asset to their present value.

#### 5. Depreciation

- i) Depreciation on tangible Property, Plant & Equipment is provided for on basis of useful life specified in Schedule II to the Act.
- ii) Intangible assets such as Software are amortized in ten equal yearly instalments commencing from the year in which the tangible benefits start accruing to the Company from such assets, if any.
- iii) Depreciation is charged as per the provisions of Schedule II to the Act based upon useful life of assets. The useful life is adopted for the purpose of depreciation is as under.
  - Buildings - 3 to 60 years
  - Plant and Equipment - 15 to 25 years
  - Furniture and Fixtures - 10 years
  - Vehicles - 8 to 10 years
  - Office Equipment - 5 to 10 years

#### 6. Revenue Recognition

- i) Revenue comprises of all economic benefits that arise in the ordinary course of activities of the Company which result in increase in Equity, other than increases relating to contributions from equity participants. Revenue is recognised 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 or receivable.
- ii) Sale of Goods: Revenue from sales of goods is recognized on transfer of significant risks and rewards of ownership to the customers. Revenue shown in the Statement of Profit and Loss excludes, returns, trade discounts, cash discounts, Goods & Service Tax.
- iii) Services: Revenue from Services are recognised as and when the services are rendered.
- iv) Export incentives under various schemes are accounted in the year of export, if any.
- v) Interest income is recognized on a time proportion basis taking into account the amount outstanding and the interest rate applicable.

#### 7. Employee Benefits

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

- ii) Post Employment and Retirement benefits in the form of Gratuity are considered as defined benefit obligations and is provided for on the basis of third party actuarial valuation, using the projected unit credit method, as at the date of the Balance Sheet. Every Employee who has completed five years or more of service is entitled to Gratuity on terms not less favourable than the provisions of The Payment of Gratuity Act, 1972.
- iii) The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of reporting period on government bonds that have terms approximating to the terms of the related obligation.
- iv) Employee benefits in the form of Provident Fund is considered as defined contribution plan and the contributions to Employees' Provident Fund Organization established under The Employees' Provident Fund and Miscellaneous Provisions Act 1952 is charged to the Statement of Profit and Loss of the year when the contributions to the respective funds are due. The Company pays provident fund contributions to publicly administered provident funds as per local regulations. The Company has no further payment obligations once the contributions have been paid.

#### **8. Valuation of Inventories**

- i) The cost of inventories have been computed to include all cost of purchases, cost of conversion and other related costs incurred in bringing the inventories to their present location and condition. The costs of Raw Materials, Stores and spare parts etc., consumed consist of purchase price including duties and taxes (other than those subsequently recoverable by the enterprise from the taxing authorities), freight inwards and other expenditure directly attributable to the procurement.
- ii) Stock of Raw Materials are valued at cost and of those in transit and at port related to these items are valued at cost to date. Goods and materials in transit are valued at actual cost incurred up to the date of balance sheet. Material and supplies held for use in the production of inventories are not written down if the finished products in which they will be used are expected to be sold at or above cost.
- iii) Stock of Stores and spare parts, and Power & Fuels are valued at cost; and of those in transit and at port related to these items are valued at cost.
- iv) Goods-in-process is valued at lower of cost or net realisable value.
- v) Stock-in-trade is valued at lower of cost or net realisable value.
- vi) Stock of Finished goods is valued at lower of cost or net realisable value.

#### **9. Cash Flow Statement**

- i) Cash flows are reported using indirect method, whereby profit before tax is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flow from regular revenue generating, financing and investing activities of the Company is segregated.
- ii) Cash and cash equivalents in the balance sheet comprise cash at bank, cash/cheques in hand and short term investments with an original maturity of three months or less.

#### **10. Financial Assets**

- i) The Company classifies its financial assets as those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and those to be measured at amortized cost.
- ii) Trade receivables represent receivables for goods sold by the Company upto to the end of the financial year. The amounts are generally unsecured and are usually received as per the terms of payment agreed with the customers. The amounts are presented as current assets where receivable is due within 12 months from the reporting date.
- iii) Trade receivables are impaired using the lifetime expected credit loss model under simplified approach. The Company uses a matrix to determine the impairment loss allowance based on its historically observed default rates over expected life of trade receivables and is adjusted for forward looking estimates. At every reporting date, the impairment loss allowance, if any, is determined and updated and the same is deducted from Trade Receivables with corresponding charge/credit to the standalone Statement of Profit and Loss.
- iii) A financial asset is derecognized only when the Company has transferred the rights to receive cash flows from the financial asset, or when it has transferred substantially all the risks and rewards of the asset, or when it has transferred the control of the asset.

#### **11. Financial Liabilities**

- i) Borrowings are initially recognised and subsequently measured at amortised cost, net of transaction costs incurred. The transaction costs is amortised over the period of borrowings using the effective interest method in Capital Work in Progress up to the commencement of related Plant, Property and Equipment and subsequently under finance costs in the standalone Statement of profit and loss.



- ii) Borrowings are removed from balance sheet when the obligation specified in the contract is discharged, cancelled or expired.
- iii) Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.
- iv) Trade Payables represent liabilities for goods and services provided to the Company up to the end of the financial year. The amounts are unsecured and are usually paid as per the terms of payment agreed with the vendors. The amounts are presented as current liabilities unless payment is not due within 12 months after the reporting period.
- v) 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.

## 12. Borrowing Costs

- i) Borrowing costs are interest and other costs (including exchange differences relating to foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs) incurred in connection with the borrowing of funds.
- ii) General and specific borrowing costs that are directly attributable to the acquisition or construction of qualifying assets are capitalised as part of the cost of such assets during the period of time that is required to complete and prepare the asset for its intended use. A qualifying asset is one that takes necessarily substantial period of time to get ready for its intended use.
- iii) All other borrowing costs are expensed in the period in which they are incurred.

## 13. Foreign Currency Transactions

- i) The Company's financial statements are presented in Indian Rupees ("₹"), which is also the Company's functional currency.
- ii) Foreign currency transactions are recorded on initial recognition in the functional currency, using the exchange rate at the date of the transaction. At each balance sheet date, foreign currency monetary items are reported using the closing exchange rate. Exchange differences that arise on settlement of monetary items or on reporting at each balance sheet date of the Company's monetary items at the closing rate are recognised as income or expenses in the period in which they arise.
- iii) Non-monetary items which are carried at historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction.

## 14. Accounting for Taxes on Income

- i) Tax expenses comprise of current tax and deferred tax including applicable surcharge and cess.
- ii) Current Income tax is computed using the tax effect accounting method, where taxes are accrued in the same period in which the related revenue and expenses arise. A provision is made for income tax annually, based on the tax liability computed, after considering tax allowances and exemptions. Provisions are recorded when it is estimated that a liability due to disallowances or other matters is probable.
- iii) Deferred tax is provided using the balance sheet approach on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date. Deferred tax liabilities are recognized for all taxable temporary differences. Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any un used tax losses. Deferred tax assets are recognized to the extent that it is probable that taxable profits against which the deductible temporary differences, and the carry forward unused tax credits and unused tax losses can be utilized.
- iv) The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax assets to be utilised. Unrecognised deferred tax assets are reassessed at each reporting date and are recognised to the extent that it is 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 the tax rates and tax laws that have been enacted or substantively enacted at the reporting date.
- v) Deferred tax is recognised in the statement of profit and loss, except to the extent that it relates to items recognised in other comprehensive income. As such, deferred tax is also recognised in other comprehensive income.
- vi) Deferred Tax Assets and Deferred Tax Liabilities are offset, if a legally enforceable right exists to set off current tax assets against current tax liabilities and the Deferred Tax Assets and Deferred Tax Liabilities relate to taxes on income levied by same governing taxation laws.

## 15. Investments

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

**16. Impairment**

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

**17. Government Grants**

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

**18. Provisions, Contingent Liabilities and Contingent Assets**

- i) Provisions are made when (a) the Company has a present legal or constructive obligation as a result of past events; (b) it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and (c) a reliable estimate is made of the amount of the obligation.
- ii) Contingent liabilities are not provided for but are disclosed by way of Notes on Accounts. Contingent liabilities is disclosed in case of a present obligation from past events (a) when it is not probable that an outflow of resources will be required to settle the obligation; (b) when no reliable estimate is possible; (c) unless the probability of outflow of resources is remote.
- iii) Contingent assets are not accounted but disclosed by way of Notes on Accounts where the inflow of economic benefits is probable.

**19. Current and Non-Current Classification**

- i) The Normal Operating Cycle for the Company has been assumed to be of twelve months for classification of its various assets and liabilities into "Current" and "Non-Current".
- ii) The Company presents assets and liabilities in the balance sheet based on current and non-current classification.
- iii) An asset is current when it is (a) expected to be realised or intended to be sold or consumed in normal operating cycle; (b) held primarily for the purpose of trading; (c) expected to be realised within twelve months after the reporting period; (d) Cash and cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period. All other assets are classified as non-current.
- iv) An liability is current when (a) it is expected to be settled in normal operating cycle; (b) it is held primarily for the purpose of trading; (c) it is due to be discharged within twelve months after the reporting period; (d) there is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period. All other liabilities are classified as non-current.

**20. Segment Reporting**

- i) The Company has a business segment other than Manufacturing of Copper Pipes, Copper Rods and ferrous & non-ferrous metals, however it fails to fulfil the Segment Reporting criteria. Therefore, Segment Reporting is not provided.

**21. Related Party Transactions**

- i) A related party is a person or entity that is related to the reporting entity preparing its financial statement
  - a) A person or a close member of that person's family is related to reporting entity if that person;
    - a. has control or joint control of the reporting entity;
    - b. has significant influence over the reporting entity; or
    - c. is a member of the key management personnel of the reporting entity or of a parent of the reporting entity.
  - b) An entity is related to a reporting entity if any of the following conditions applies;
    - a. the entity and the reporting entity are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others);
    - b. One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member);
    - c. Both entities are joint ventures of the same third party;

- d. One entity is a joint venture of a third entity and the other entity is an associate of the third entity;
- e. The entity is a post-employment benefit plan for the benefit of employees of either the reporting entity or an entity related to the reporting entity;
- f. The entity is controlled or jointly controlled by a person identified in (a);
- g. A person identified in (a)
- h. The entity, or any member of a group of which it is a part, provides key management personnel services to the reporting entity or to the parent of the reporting entity.

Has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity);

A related party transaction is a transfer of resources, services or obligations between a reporting entity and a related party, regardless of whether a price is charged.

Close members of the family of a person are those family members who may be expected to influence, or be influenced by, that person in their dealings with the entity.

Compensation includes all employee benefits i.e. all forms of consideration paid, payable or provided by the entity, or on behalf of the entity, in exchange for services rendered to the entity. It also includes such consideration paid on behalf of a parent of the entity in respect of the entity.

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director (whether executive or otherwise) of that entity."

- c) Disclosure of related party transactions as required by the IND AS is furnished in the Notes on the Standalone Financial Statements.

## 22. Earning Per Share

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

## 22. Critical Accounting Judgments, Assumptions and Key Sources of Estimation Uncertainty

The preparation of the Standalone Financial Statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities at the date of the financial statements. Estimates and assumptions are continuously evaluated and are based on management's experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

### i) Judgements

In the process of applying the Company's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the standalone financial statements:

#### a) Determination of Functional Currency

Currency of the primary economic environment in which the Company operates ("the functional currency") is Indian Rupee (Rs) in which the Company primarily generates and expends cash. Accordingly, the Management has assessed its functional currency to be Indian Rupee (Rs) i.e. Rs in Lakhs.

#### b) Evaluation of Indicators for Impairment of Property, Plant and Equipment

The evaluation of applicability of indicators of impairment of assets requires assessment of external factors (significant decline asset's value, significant changes in the technological, market, economic or legal environment, market interest rates etc.) and internal factors (obsolescence or physical damage of an asset, poor economic performance of the asset etc.) which could result in significant change in recoverable amount of the Property, Plant and Equipment.

### ii) Assumptions and Estimation Uncertainties

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

**a) Useful lives of Property, Plant and Equipment/Intangible Assets**

Property, Plant and Equipment/ Intangible Assets are depreciated/amortised over their estimated useful lives, after taking into account estimated residual value. The useful lives and residual values are based on the Company's historical experience with similar assets and taking into account anticipated technological changes or commercial obsolescence. Management reviews the estimated useful lives and residual values of the assets annually in order to determine the amount of depreciation/amortisation to be recorded during any reporting period. The depreciation/amortisation for future periods is revised, if there are significant changes from previous estimates and accordingly, the unamortised/depreciable amount is charged over the remaining useful life of the assets.

**b) Contingent Liabilities**

In the normal course of business, Contingent Liabilities may arise from litigation and other claims against the Group. Potential liabilities that are possible but not probable of crystallising or are very difficult to quantify reliably are treated as contingent liabilities. Such liabilities are disclosed in the Notes but are not recognised. Potential liabilities that are remote are neither recognised nor disclosed as contingent liability. The management decides whether the matters need to be classified as 'remote', 'possible' or 'probable' based on expert advice, past judgements, experiences etc.

**c) Evaluation of Indicators for Impairment of Property, Plant and Equipment**

The evaluation of applicability of indicators of impairment of assets requires assessment of external factors (significant decline in asset's value, economic or legal environment, market interest rates etc.) and internal factors (obsolescence or physical damage of an asset, poor economic performance of the idle assets etc.) which could result in significant change in recoverable amount of the Property, Plant and Equipment and such assessment is based on estimates, future plans as envisaged by the Company.

**d) Provisions**

Provisions and liabilities are recognised in the period when it becomes probable that there will be a future outflow of funds resulting from past operations or events and the amount of cash outflow can be reliably estimated. The timing of recognition and quantification of the liability requires the application of judgement to existing facts and circumstances, which can be subject to change. The carrying amounts of provisions and liabilities are reviewed regularly and revised to take account of changing facts and circumstances.

## 02 Property, Plant and Equipment as at 31st March, 2023

Amount in ₹ Lakhs

	Description of Assets	Useful life (In Years)	Shift Operated	Balance as at 01-Apr-22	Additions during the period	Deletions during the period	Balance as at 31-Mar-23	Balance as at 01-Apr-22	Provided during the period	Deletions during the period	Balance as at 31-Mar-23	Balance as at 31-Mar-22
<b>A</b>	<b>Tangible Assets</b>											
<b>(a)</b>	<b>Own Assets</b>											
	<b>Buildings</b>											
	Factory at Santej	30.00	Single	68.92	-	-	68.92	24.98	2.19	-	27.17	41.75
	Bandhu Samaj	30.00	Single	78.34	-	-	78.34	25.49	2.64	-	28.13	50.21
	Supath 2 -Complex	30.00	Single	5.05	-	-	5.05	0.59	0.16	-	0.75	4.31
	Shed at Rakhial	30.00	Single	11.77	-	-	11.77	4.47	0.42	-	4.89	6.88
	Building Others	30.00	Single	33.57	144.68	-	178.25	2.16	5.65	-	7.81	170.44
	Shed at Jagannath Estate	30.00	Single	7.42	-	-	7.42	1.13	0.24	-	1.37	6.06
				<b>205.08</b>	<b>144.68</b>	-	<b>349.76</b>	<b>58.82</b>	<b>11.30</b>	-	<b>70.11</b>	<b>279.65</b>
	<b>Plant &amp; Machinery</b>											
	Plant & Machinery	15.00	Single	644.93	13.51	5.30	653.14	144.74	43.19	0.67	187.26	465.88
	Analytical Machine	15.00	Single	10.12	-	-	10.12	7.66	0.71	-	8.37	1.75
	Crane	15.00	Single	10.50	-	-	10.50	2.06	0.67	-	2.72	7.78
	Plant & Machinery - Lunej	15.00	Single	281.82	-	281.82	-	140.56	10.00	150.56	0.00	-0.00
				<b>947.37</b>	<b>13.51</b>	<b>287.12</b>	<b>673.76</b>	<b>295.02</b>	<b>54.57</b>	<b>151.23</b>	<b>198.35</b>	<b>475.40</b>
	<b>Furniture &amp; Fittings</b>											
	Almonard Air Fan	10.00	Single	0.80	-	-	0.80	0.20	0.08	-	0.28	0.52
	Furniture & Fixtures	10.00	Single	0.16	-	-	0.16	0.15	-	-	0.15	0.01
				<b>0.96</b>	-	-	<b>0.96</b>	<b>0.35</b>	<b>0.08</b>	-	<b>0.43</b>	<b>0.53</b>
	<b>Office Equipment</b>											
	Air Conditioner	5.00	Single	4.66	0.21	-	4.87	3.37	0.73	-	4.10	0.77
	CCTV	10.00	Single	0.60	-	-	0.60	0.35	0.11	-	0.47	0.13
	RO Plant	10.00	Single	1.69	-	-	1.69	0.79	0.15	-	0.93	0.75
	Water Cooler	10.00	Single	0.32	-	-	0.32	0.17	0.04	-	0.21	0.11
	Refrigerator	10.00	Single	1.20	-	-	1.20	0.84	0.23	-	1.07	0.13
	Water Dispenser	5.00	Single	0.15	-	-	0.15	0.14	-	-	0.14	0.01
	Metal Detector	5.00	Single	0.02	-	-	0.02	0.01	0.00	-	0.02	0.01
	Television	5.00	Single	0.16	-	-	0.16	0.07	0.03	-	0.10	0.06
	Amazon Fire Stick	5.00	Single	0.03	-	-	0.03	0.02	0.01	-	0.02	0.01
	Temperature Meter	5.00	Single	0.04	-	-	0.04	0.01	0.01	-	0.02	0.02
	Mixer Grinder	5.00	Single	0.03	-	-	0.03	0.01	0.00	-	0.01	0.01
	Mobile Phones	5.00	Single	3.17	-	-	3.17	1.69	0.87	-	2.56	0.61
	Washing Machine	5.00	Single	0.24	-	-	0.24	0.13	0.05	-	0.17	0.07
	Shutter	5.00	Single	0.13	-	-	0.13	0.04	0.02	-	0.06	0.07
	Sofa Chair	5.00	Single	0.07	-	-	0.07	0.01	0.01	-	0.02	0.04
				<b>12.49</b>	<b>0.21</b>	-	<b>12.71</b>	<b>7.65</b>	<b>2.26</b>	-	<b>9.90</b>	<b>2.80</b>
												<b>4.84</b>

## 02 Property, Plant and Equipment as at 31st March, 2023

Amount in ₹ Lakhs

	Description of Assets	Useful life (In Years)	Shift Operated	Balance as at 01-Apr-22	Additions during the period	Deletions during the period	Balance as at 31-Mar-23	Balance as at 01-Apr-22	Provided during the period	Deletions during the period	Balance as at 31-Mar-23	Balance as at 31-Mar-23	Balance as at 31-Mar-22
	<b>Intangible Assets</b>												
	Software	10.00	Single	-	0.15	-	0.15	-	0.01	-	0.01	0.14	-
				-	<b>0.15</b>	-	<b>0.15</b>	-	<b>0.01</b>	-	<b>0.01</b>	<b>0.14</b>	-
	<b>Motor Vehicles</b>												
	Motor Car	8.00	Single	58.81	-	-	58.81	43.41	2.89	-	46.30	12.51	15.41
	Other Vehicles	10.00	Single	1.29	-	-	1.29	1.22	-	-	1.22	0.06	0.06
				<b>60.10</b>	-	-	<b>60.10</b>	<b>44.63</b>	<b>2.89</b>	-	<b>47.52</b>	<b>12.58</b>	<b>15.47</b>
	<b>Computers and Data Processing Units</b>												
	Computers and Printer	3.00	Single	5.96	0.13	-	6.09	4.92	0.39	-	5.30	0.79	1.04
	Laptop	3.00	Single	0.66	1.05	-	1.70	0.14	-	-	0.14	1.56	0.52
	Printer Canon LBP 151 DW	3.00	Single	0.11	-	-	0.11	0.03	0.02	-	0.05	0.07	0.08
				6.73	1.18	-	7.91	5.09	0.40	-	5.49	2.42	1.64
	Land	-	-	166.96	-	-	166.96	-	-	-	-	166.96	166.96
	<b>Total (A)</b>	-	-	<b>1,399.69</b>	<b>159.73</b>	<b>287.12</b>	<b>1,272.30</b>	<b>411.55</b>	<b>71.51</b>	<b>151.23</b>	<b>331.83</b>	<b>940.47</b>	<b>988.14</b>
<b>B</b>	<b>Capital Work In Progress</b>												
	Buildings												
	Bandhu Samaj (WIP)	-	-	133.04	-	-	133.04	-	-	-	-	133.04	133.04
	Factory Shed (WIP)	-	-	89.56	-	-	89.56	-	-	-	-	89.56	89.56
	Plant & Machinery											-	-
	Plant & Machinery (WIP)	-	-	61.76	-	-	61.76	-	-	-	-	61.76	61.76
	Plot No. 3529 Plant and machinery	-	-	24.83	-	-	24.83	-	-	-	-	24.83	24.83
	<b>Total (B)</b>	-	-	<b>309.20</b>	-	-	<b>309.20</b>	-	-	-	-	<b>309.20</b>	<b>309.20</b>
	<b>Grand Total (A+B)</b>	-	-	<b>1,708.89</b>	<b>159.73</b>	<b>287.12</b>	<b>1,581.50</b>	<b>411.55</b>	<b>71.51</b>	<b>151.23</b>	<b>331.83</b>	<b>1,249.67</b>	<b>1,297.33</b>



**03 Capital Work In Progress:**

Amount In ₹ (Lakhs)

Particulars	As At 31-Mar-2023	As At 31-Mar-2022
Capital work in progress		
Tangible Assets	86.60	86.60
Buildings	222.60	222.60
<b>TOTAL ` :</b>	<b>309.20</b>	<b>309.20</b>

**CWIP Aging Schedule(Current Year):**

Particulars	Amount in ₹ (Lakhs) (CWIP for a period of)				Total
	< 1 Year	1-2 Years	2-3 Years	> 3 Years	
Project in Progress	-	-	-	-	-
Project temporarily suspended	-	27.09	59.51	222.60	309.20
<b>TOTAL ` :</b>					<b>309.20</b>

**CWIP Aging Schedule(Previous Year):**

Particulars	Amount in ₹ (Lakhs) (CWIP for a period of)				Total
	< 1 Year	1-2 Years	2-3 Years	> 3 Years	
Project in Progress	27.09	59.51	61.03	161.57	309.20
Project temporarily suspended	-	-	-	-	-
<b>TOTAL ` :</b>					<b>309.20</b>

**Note : 1**

- A) Cost of Property, Plant & Equipment and pre-operative expenses, being technical matter, are capitalized or allocated to Capital work in progress on the basis of data certified by technical person & the Management.
- B) During the year working on Property, plant & equipment is temporarily suspended, and fair value is more than cost incurred on it. So company had recognise the CWIP at cost."

**04 Non-Current Investments:**

Amount In ₹ (Lakhs)

Particulars	As At 31-Mar-2023	As At 31-Mar-2022
<b>Investments in Equity Instruments</b>		
Shares of Wholly owned Subsidiary Companies (At Cost)	516.20	516.20
<b>TOTAL ` :</b>	<b>516.20</b>	<b>516.20</b>

**05 Financial Assets - Others**

Amount In ₹ (Lakhs)

Particulars	As At 31-Mar-2023	As At 31-Mar-2022
Security Deposits	23.29	19.86
<b>TOTAL ` :</b>	<b>23.29</b>	<b>19.86</b>

**06 Inventories:**

Amount In ₹ (Lakhs)

Particulars	As At 31-Mar-2023	As At 31-Mar-2022
Raw Material	439.49	529.48
Finished Goods	134.26	161.75
Traded Goods	0.53	0.64
Work In Progress	19.76	23.81
(Inventory is valued on the basis of FIFO cost method)		
<b>TOTAL ` :</b>	<b>594.04</b>	<b>715.68</b>

## 07 Trade Receivables:

Amount In ₹ (Lakhs)

Particulars	As At 31-Mar-2023	As At 31-Mar-2022
Unsecured		
Considered Good	773.10	1,030.18
Considered doubtful	-	-
	<b>773.10</b>	<b>1,030.18</b>
Less: Allowance for doubtful debts	-	-
<b>TOTAL ` :</b>	<b>773.10</b>	<b>1,030.18</b>

Particulars	Outstanding for following periods from due date of payment					Total As At 31-Mar-2023
	Less than 6 months	6 Months - 1 year	1-2 Years	2-3 Years	More than 3 Years	
(i) Undisputed Trade Receivables - Considered Good	405.96	205.23	43.93	116.23	1.75	773.10
(ii) Undisputed Trade Receivables - Which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables - Credit impaired	-	-	-	-	-	-
(vi) Disputed Trade Receivables - Considered Good	-	-	-	-	-	-
(v) Disputed Trade Receivables - Which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables - Credit impaired	-	-	-	-	-	-

Particulars	Outstanding for following periods from due date of payment					Total As At 31-Mar-2022
	Less than 6 months	6 Months - 1 year	1-2 Years	2-3 Years	More than 3 Years	
(i) Undisputed Trade Receivables - Considered Good	531.53	276.52	220.38	0.35	1.40	1,030.18
(ii) Undisputed Trade Receivables - Which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables - Credit impaired	-	-	-	-	-	-
(vi) Disputed Trade Receivables - Considered Good	-	-	-	-	-	-
(v) Disputed Trade Receivables - Which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables - Credit impaired	-	-	-	-	-	-

## 08 Cash &amp; Cash Equivalents:

Amount In ₹ (Lakhs)

Particulars	As At 31-Mar-2023	As At 31-Mar-2022
Balance with Banks	0.96	501.10
Cash on hand	4.04	0.48
<b>TOTAL ` :</b>	<b>5.00</b>	<b>501.58</b>

## 09 Bank balance other than (08) above:

Amount In ₹ (Lakhs)

Particulars	As At 31-Mar-2023	As At 31-Mar-2022
Term Deposits with Banks	16.85	16.15
<b>TOTAL ` :</b>	<b>16.85</b>	<b>16.15</b>

Term deposits with banks, is having original maturity less than 12 months.

**10 Loans:**

Amount In ₹ (Lakhs)

Particulars	As At 31-Mar-2023	As At 31-Mar-2022
Advances to Outsiders		
Advances to Suppliers	25.40	145.21
<b>TOTAL ` :</b>	<b>25.40</b>	<b>145.21</b>

**11 Current Tax Assets:**

Amount In ₹ (Lakhs)

Particulars	As At 31-Mar-2023	As At 31-Mar-2022
<b>Receivable from Government</b>		
Advance Tax Include. TDS and TCS	10.25	31.57
Income Tax Refund Receivables	4.96	2.86
<b>TOTAL ` :</b>	<b>15.21</b>	<b>34.43</b>

**12 Other Current Assets:**

Amount In ₹ (Lakhs)

Particulars	As At 31-Mar-2023	As At 31-Mar-2022
<b>Advances to Others</b>		
GST Receivable	24.05	(28.35)
Other Receivables	316.28	233.84
Prepaid Expenses	4.36	12.58
<b>TOTAL ` :</b>	<b>344.69</b>	<b>218.07</b>

**Sub Note:** Prepaid expenses includes Prepaid Insurance, Membership, Internet etc.**13 Equity Share Capital:**

Amount In ₹ (Lakhs)

Particulars	As At 31-Mar-2023	As At 31-Mar-2022
<b>Authorized :</b>		
Equity shares 20,000,000 of ₹10 Each	2,000.00	2,000.00
<b>Issued, Subscribed and Paid up :</b>		
Equity shares 17,057,400 of ₹10 Each	1,705.74	1,705.74
<b>TOTAL ` :</b>	<b>1,705.74</b>	<b>1,705.74</b>

**13.1 Shareholding Of Promoters:**

Shares held by promoter % Change during the year s at the end of the year				% Change during the year
Sr. No.	Promoter Name	No. of Shares	% of Total Shares	
1	Jayeshkumar Ashmal Mehta	26,27,250	15.40	-
2	Satish Kumar Asamal Mehta	23,67,825	13.88	-
3	Asamal Siremal Mehta	22,00,425	12.90	-
4	Mehta Ugamben Asamal	15,60,900	9.15	-
5	Mehta Aashmalji Siremalji Huf	8,23,500	4.83	-
6	Sangita S Mehta	4,94,250	2.90	-
7	Rekha J Mehta	4,30,500	2.52	-
8	Satish A Mehta Huf	3,28,500	1.93	-
9	Jayesh Ashmalji Mehta Huf	3,10,500	1.82	-
10	Mehta Harish Aashmalji	1,92,000	1.13	-
11	Rameshbhai Asamal Mehta	1,53,000	0.90	-
12	Rinika Harishkumar Mehta	1,18,500	0.69	-

**13.2 The Details of Shareholder holding more than 5% Shares**

Name Of Shareholder	As At 31-Mar-2023		As At 31-03-2022	
	No. Of Shares	% Held	No. Of Shares	% Held
Jayesh A. Mehta	26,27,250	15.40	26,27,250	15.40
Satish A. Mehta	23,67,825	13.88	23,67,825	13.88
Asamalji S. Mehta	22,00,425	12.90	22,00,425	12.90
Ugamdevi A. Mehta	15,60,900	9.15	15,60,900	9.15
Sagardeep Engineers Pvt Ltd	9,50,250	5.57	9,50,250	5.57
	<b>97,06,650</b>	<b>56.91</b>	<b>97,06,650</b>	<b>56.91</b>

**13.3 The Reconciliation of No. of shares outstanding is set out below:**

Name Of Shareholder	As At 31-Mar-2023		As At 31-03-2022	
	No. of shares	Amount In (Lakhs)	No. of shares	Amount In (Lakhs)
At the beginning of the year	1,70,57,400	1,705.74	1,70,57,400	1,705.74
Add: Bonus Issue	-	-	-	-
<b>Equity Shares at the end of the year</b>	<b>1,70,57,400</b>	<b>1,705.74</b>	<b>1,70,57,400</b>	<b>1,705.74</b>

**13.4 Rights, Preferences and restrictions attached to shares****Equity Share**

The company has one class of equity share having a par value of Rs 10 each. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of directors is subject to the approval of shareholders in the ensuing Annual general meeting, except in case of interim dividend. In the case of liquidation, the equity shareholders are eligible to receive the remaining assets of the company after distribution of all preferential amounts, in proportion to their shareholding.

**14 Other Equity:**

Amount In ₹ (Lakhs)

Particulars	As At 31-Mar-2023	As At 31-Mar-2022
<b>Retained Earnings</b>		
Opening Balance	777.76	730.58
Add: Profit for the year	53.56	47.18
<b>Closing Balance</b>	<b>831.31</b>	<b>777.76</b>
<b>Other Comprehensive Income</b>		
Opening Balance	4.17	1.02
Add: Profit for the year	1.63	3.15
<b>Closing Balance</b>	<b>5.80</b>	<b>4.17</b>
<b>Share Premium Account</b>		
Opening Balance	217.35	785.93
Add: Addition/(deletion)	-	(568.58)
Closing Balance	217.35	217.35
<b>TOTAL ` :</b>	<b>1,054.47</b>	<b>999.28</b>

**Retained Earnings:** Retained earnings are the profits that the Company has earned till date less any transfers to general reserve, dividends, utilisations or other distributions paid to shareholders.

**Other Comprehensive Income:** The fair value change of the investments measured at fair value through other comprehensive income recognised through Other Comprehensive Income. Upon derecognition the cumulative fair value changes on the said investments except equity investments are reclassified to the Statement of Profit and Loss. Accumulated gain or loss on employee benefits also recognised through other comprehensive income.

**Securities Premium:** The amount received in excess of face value of the equity shares is recognised in Securities Premium.

**15 Borrowings:**

Amount In ₹ (Lakhs)

Particulars	As At 31-Mar-2023	As At 31-Mar-2022
Secured Borrowing:		
Emergency Credit Line Guarantee Scheme	114.79	244.71
<b>TOTAL ` :</b>	<b>114.79</b>	<b>244.71</b>

**Sub Note :**

- i) Outstanding loan is given by Axis Bank based on the guidelines issued by the government of India for emergency credit line to the industries.

**16 Provisions:**

Amount In ₹ (Lakhs)

Particulars	As At 31-Mar-2023	As At 31-Mar-2022
Provision for Employee Benefit	13.89	14.05
<b>TOTAL ` :</b>	<b>13.89</b>	<b>14.05</b>

**17 Deferred Tax Liabilities**

Amount In ₹ (Lakhs)

Particulars	As At 31-Mar-2023	As At 31-Mar-2022
<b>Deferred Tax Liabilities</b>		
DTL on Difference between written down value of property, plant and equipment as per books of accounts and income tax	42.19	57.16
DTL on Expenses claimed for tax purpose on payment basis	(3.85)	(5.23)
<b>TOTAL ` :</b>	<b>38.34</b>	<b>51.93</b>

**18 Financial Liabilities - Borrowings:**

Amount In ₹ (Lakhs)

Particulars	As At 31-Mar-2023	As At 31-Mar-2022
Loans Repayable on Demand - From Banks		
Working Capital Loans - Secured	437.13	1,058.24
Current Maturities of Long Term Debts	64.99	-
<b>TOTAL ` :</b>	<b>502.12</b>	<b>1,058.24</b>

**Sub Note :**

- i) AXIS Bank C.C. outstanding as on March 31, 2023 is secured against Hypothecation of all current assets of the company (present and future), Plant & Machinery, Furniture and Fixtures, office equipment and other class of movable assets except vehicles financed by other banks.
- ii) Collateral Security by Equitable mortgage of:
- Factory Land & Building situated at block no. 2070, Village -Santej, Taluka Kalol, District-Gandhinagar.
  - Industrial Land and Building Plot No.31/5, Saptrishi Estate, Near Sabri Hotel, Odhav Ring Road Circle, Odhav.
  - Industrial Shed No.2, Hari Om Estate, Near Comet Estate, Keval Kanta Road, Rakhial, Ahmedabad owned by M/s. Sagardeep Alloys Limited
- iii) Interest rate on C.C. is 9.25% and directors have given their personal guarantee for the same."

**19 Financial Liabilities - Trade Payables :**

Amount In ₹ (Lakhs)

Particulars	As At 31-Mar-2023	As At 31-Mar-2022
Creditors for Goods	73.49	339.58
<b>TOTAL ` :</b>	<b>73.49</b>	<b>339.58</b>

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
(i) MSME	-	-	-	-	-
(ii) Others	73.49	-	-	-	73.49
(iii) Disputed dues-MSME	-	-	-	-	-
(iv) Disputed dues-Others	-	-	-	-	-

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
(i) MSME	-	-	-	-	-
(ii) Others	301.43	38.15	-	-	339.58
(iii) Disputed dues-MSME	-	-	-	-	-
(iv) Disputed dues-Others	-	-	-	-	-

**Sub Note:**

Disclosure of payable to vendors as defined under the "Micro, Small and Medium Enterprise Development Act, 2006" is based on the information available with the Company regarding the status of registration of such vendors under the said Act, as per the intimation received from them on requests made by the Company. There are no overdue principal amounts / interest payable amounts for delayed payments to such vendors at the Balance Sheet date. There are no delays in payment made to such suppliers during the year or for any earlier years and accordingly there is no interest paid or outstanding interest in this regard in respect of payment made during the year or on balance brought forward from previous year.

**20 Other Current Liabilities:**

Amount In ₹ (Lakhs)

Particulars	As At 31-Mar-2023	As At 31-Mar-2022
Other Payables	36.49	66.17
<b>TOTAL ` :</b>	<b>36.49</b>	<b>66.17</b>

**Sub Note :**

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

**21 Current Liabilities - Provisions:**

Amount In ₹ (Lakhs)

Particulars	As At 31-Mar-2023	As At 31-Mar-2022
Payable to Government	22.94	14.87
Provision for Employees	1.18	0.13
<b>TOTAL ` :</b>	<b>24.12</b>	<b>15.00</b>



**22 Revenue From Operations:**

Amount In ₹ (Lakhs)

Particulars	For the FY 2022-23	For the FY 2021-22
Revenue from Sale of Products	10,239.19	10,641.42
Revenue from Sale of Land (Trading)	-	24.00
Revenue from Job Work	34.34	18.28
Packing and Forwarding	13.28	13.25
	<b>10,286.81</b>	<b>10,696.95</b>
Less: GST on Sales	1,578.97	1,629.10
<b>TOTAL ` :</b>	<b>8,707.84</b>	<b>9,067.85</b>

**23 Other Income:**

Amount In ₹ (Lakhs)

Particulars	For the FY 2022-23	For the FY 2021-22
Interest Income	35.63	5.71
Foreign Exchange Gain	0.98	0.99
Rent Income	13.39	11.64
Prior Period Income	-	1.02
<b>TOTAL ` :</b>	<b>50.00</b>	<b>19.36</b>

**24 Cost of Materials Consumed:**

Amount In ₹ (Lakhs)

Particulars	For the FY 2022-23	For the FY 2021-22
Opening Stock	529.48	667.10
Add: Purchases	7,646.66	7,682.53
Add: Labour Purchase	3.11	6.11
	<b>8,179.25</b>	<b>8,355.74</b>
Less : Closing Stock	439.49	529.48
<b>TOTAL ` :</b>	<b>7,739.76</b>	<b>7,826.26</b>

**25 Purchase Of Stock In Trade:**

Amount In ₹ (Lakhs)

Particulars	For the FY 2022-23	For the FY 2021-22
Purchases of goods	252.31	529.01
<b>TOTAL ` :</b>	<b>252.31</b>	<b>529.01</b>

**26 Changes In Inventories:**

Amount In ₹ (Lakhs)

Particulars	For the FY 2022-23	For the FY 2021-22
<b>At the end of the year:</b>		
Finished Goods	134.26	161.75
Work-In-Progress	19.76	23.81
Traded Goods	0.53	0.64
	<b>154.55</b>	<b>186.20</b>
<b>At the beginning of the year:</b>		
Finished Goods	161.75	183.11
Work-In-Progress	23.81	19.63
Traded Goods	0.64	0.70
	<b>186.20</b>	<b>203.44</b>
<b>(Increase)/Decrease in Inventories</b>		
Finished Goods	27.49	21.36
Work-In-Progress	4.05	-4.18
Traded Goods	0.11	0.06
<b>TOTAL ` :</b>	<b>31.65</b>	<b>17.24</b>

**27 Employee Benefit Expense:**

Amount In ₹ (Lakhs)

Particulars	For the FY 2022-23	For the FY 2021-22
Bonus Expenses	6.17	6.47
Director's Remuneration	18.00	18.00
Gratuity Expenses	2.37	2.50
Contribution to Provident Fund and other Funds	0.29	0.71
Salary & Wages Expenses	32.17	47.83
Staff Welfare Expenses	4.61	3.67
<b>TOTAL ` :</b>	<b>63.61</b>	<b>79.18</b>

**28 Finance Cost:**

Amount In ₹ (Lakhs)

Particulars	For the FY 2022-23	For the FY 2021-22
Interest on Short-Term Loans from Banks	26.57	70.93
Interest on Gst and Vat	-	3.16
Interest on Long-Term Loans from Banks	17.28	17.09
Loan Processing Fees	12.00	14.02
Other Borrowing Costs	0.04	0.27
<b>TOTAL ` :</b>	<b>55.89</b>	<b>105.47</b>

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

**29 Other Expenses:**

Amount In ₹ (Lakhs)

Particulars	For the FY 2022-23	For the FY 2021-22
<b>A) Manufacturing Expenses</b>		
Other Manufacturing Expenses	23.40	25.03
Labour Charges	74.70	65.75
Power , Fuel & Utilities Expenses	206.29	175.32
Repairs & Maintenance Expenses	18.75	17.65
Stores , Spares & Packing Material Consumed	3.68	1.86
	<b>326.82</b>	<b>285.61</b>
<b>B) Administrative , Selling &amp; Other Expenses</b>		
Freight Expenses	18.97	17.73
Indirect Duty Expenses	1.19	0.61
Insurance Expenses	1.21	1.62
Legal & Professional Fees	8.98	9.01
Loss on Sale Of Asset	71.68	12.48
Misc Expense	0.94	0.40
Office Expenses	2.40	2.12
Postage , Telephone & Computer Expenses	2.09	1.24
Rates And Taxes Expenses	4.92	-
Security Expenses	2.61	2.79
Selling & Distribution Expenses	0.81	1.62
Stationery & Printing Expenses	0.41	0.23
Sundry Balances Written Off	23.06	38.66
Statutory Audit Fees	2.15	2.15
Penalty/interest Expenses	0.02	0.63
	<b>141.44</b>	<b>91.29</b>
<b>TOTAL ` :</b>	<b>468.26</b>	<b>376.90</b>

**30 Earning Per Share :**

Amount In ₹

Particulars	For the FY 2022-23	For the FY 2021-22
Basic Earning Per Share	0.31	0.28
Diluted Earning Per Share	0.31	0.28
Nominal Value Per Share	₹ 10.00	₹ 10.00

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

Amount In ₹ (Lakhs)

Particulars	For the FY 2022-23	For the FY 2021-22
Profit / (Loss) after taxation	53.56	47.18
Net Profit / (Loss) attributable to Equity Shareholders	53.56	47.18
Number of shares at the beginning of the year	1,70,57,400	1,70,57,400
Number of shares allotted during the year (Previous Year shares allotted as Bonus Shares)	-	-
Number of shares at the end of the year	1,70,57,400	1,70,57,400
Weighted Average Number of shares outstanding during the year	1,70,57,400	1,70,57,400

**31 Tax Reconciliation**

Amount In ₹ (Lakhs)

Income Tax Recognised in statement of Profit and Loss	As At 31-Mar-2023	As At 31-Mar-2022
<b>Current tax</b>		
In Respect of the Current year	38.23	14.87
Short/Excess Provision of Earlier years	(3.34)	-
Deferred Tax (Credit)/Charged	(13.59)	14.04
<b>Total Income tax expense recognised in respect of continuing Operations</b>	<b>21.30</b>	<b>28.91</b>

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

Amount In ₹ (Lakhs)

Income Tax Recognised in statement of Profit and Loss	As At 31-Mar-2023	As At 31-Mar-2022
Profit Before Taxes	74.86	76.09
Enacted Tax Rate in India	26%	26%
Non deductible expenses for Tax Purpose	74.05	14.99
Deductible Expenses for Tax purposes	-	-
Expected income tax benefit/(expense) at statutory tax rate	38.23	14.87
<b>Effect of:</b>		
Deferred tax(credit) /Charged	(13.59)	14.04
Short/Excess provision of the earlier years	(3.34)	-
Income taxes recognised in the Statement of Profit and Loss	21.30	28.91

The Tax Rate used for the 2022-2023 reconciliation above is the corporate tax rate of 25% plus Cess @4% payable by corporate entities in India on taxable Profits under the Indian tax laws. Interest applicable due to shortfall in advance tax is added in the current tax.

**Components of Deferred tax assets and Liabilities**

Amount In ₹ (Lakhs)

Income Tax Recognised in statement of Profit and Loss	As At 31-Mar-2023	As At 31-Mar-2022
<b>A) Deferred tax Liabilities</b>		
Difference between book and tax depreciation	42.19	57.16
<b>B) Deferred tax Liabilities</b>		
Difference between book and tax depreciation."	-	-
<b>C) Deferred Tax Liabilities/(Assets) on expenses claimed on payment basis</b>	<b>(3.85)</b>	<b>(5.23)</b>

**32 Capital Commitments and Contingent Liabilities:****A. Contingent Liabilities:**

Amount In ₹ (Lakhs)

Particulars	As At 31-Mar-2023
Disputed Income Tax Demand under the Income Tax Act	333.55

It is not practicable for the Company to estimate the timings of cash outflows, if any, in respect of the above, pending resolution of the respective proceedings as it is determinable only on receipt of judgments/decisions pending with various forums/ authorities.

The Company has reviewed all its pending litigations and proceedings and has adequately provided for where provisions are required and disclosed as contingent liabilities where applicable, in its financial statements. The Company does not expect the outcome of these proceedings to have a materially adverse effect on its financial results.

In CIT Appeal the decision is in favour of the company, however Income tax Department appealed in tribunal. So company is recognised as contingent liabilities.

**B. Commitments:**

Estimated amount of contracts remaining to be executed on capital account and not provided for net of advances, ₹ 0.50 Lakhs (previous year ₹ NIL Lakhs).

**33 Financial and Derivative Instruments****Capital Management**

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

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

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

Amount In ₹ (Lakhs)

Particular	As At 31-Mar-2023	As At 31-Mar-2022
Equity Share Capital	1,705.74	1,705.74
Other Equity	1,054.47	999.28
<b>Total Equity</b>	<b>2,760.21</b>	<b>2,705.02</b>
Interest-bearing loans and borrowings	616.91	1,302.95
Less: Cash & Cash Equivalent	5.00	501.58
Less: Bank balances other than above	16.85	16.15
<b>Net Debt</b>	<b>595.06</b>	<b>785.22</b>
Gearing Ratio	21.56%	29.03%

**Disclosures**

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

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

1) **Categories of Financial Instruments**

Amount In ₹ (Lakhs)

Particular	As At 31-Mar-2023	As At 31-Mar-2022
<b>Financial Assets</b>		
<b>Measured at Amortised Cost</b>		
1) Trade Receivables	773.10	1,030.18
2) Cash & Cash Equivalents	21.85	517.73
3) Loans	25.40	145.21
4) Other Financial Assets	383.18	272.36
5) Investments	516.20	516.20
<b>Financial Liabilities</b>		
<b>Measured at Amortised Cost</b>		
1) Borrowings	616.91	1,302.95
2) Trade Payables	73.49	339.58
3) Other Financial Liabilities	74.50	95.21

**2) Fair Value Measurement :**

This note provides information about how the Company determines fair values of various financial assets. Fair Value of financial assets and liabilities that are not measured at fair value (but fair value disclosures are required). Management considers that the carrying amounts of financial assets and financial liabilities recognized in the financial statements approximate their fair values.

**3) Financial Risk Management Objectives**

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

**Market Risk**

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises two types of risk: interest rate, currency risk and other price risk, such as commodity price risk and equity price risk. Financial instruments affected by market risk include FVTPL investments, trade payables, trade receivables, etc."

**Liquidity Risk**

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

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

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

Amount In ₹ (Lakhs)

Particulars	Due in 1 Year	Due after 1 Year	Total
<b>As at 31st March, 2023</b>			
Borrowings	502.12	114.79	616.91
Trade Payables	73.49	-	73.49
Other Financial Liabilities	24.12	13.89	38.01
<b>Total</b>	<b>599.74</b>	<b>128.68</b>	<b>728.42</b>
<b>As at 31st March 2022</b>			
Borrowings	1,058.24	244.71	1,302.95
Trade Payables	339.58	-	339.58
Other Financial Liabilities	15.00	14.05	29.05
<b>Total</b>	<b>1,412.82</b>	<b>258.76</b>	<b>1,671.58</b>

**Trade Receivables**

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

Amount In ₹ (Lakhs)

Particulars	Due in 1 Year	1 year - 3 years	More than 3 Years	Total
<b>As at 31st March, 2023</b>				
1) Trade Receivables	773.10	-	-	773.10
2) Cash & Cash Equivalents	5.00	16.85	-	21.85
3) Loans	25.40	-	-	25.40
4) Other Financial Assets	383.18	-	-	383.18
5) Investments	-	-	516.20	516.20
<b>Total</b>	<b>1,186.68</b>	<b>16.85</b>	<b>516.20</b>	<b>1,719.73</b>
<b>As at 31st March 2022</b>				
1) Trade Receivables	1,030.18	-	-	1,030.18
2) Cash & Cash Equivalents	501.58	16.15	-	517.73
3) Loans	145.21	-	-	145.21
4) Other Financial Assets	272.36	-	-	272.36
5) Investments	-	-	516.20	516.20
<b>Total</b>	<b>1,949.33</b>	<b>16.15</b>	<b>516.20</b>	<b>2,481.68</b>

## 34. Fair Value Measurement

Particulars	Carrying Amount		Fair Value	
	Amount In ₹ (Lakhs)		Amount In ₹ (Lakhs)	
	As At 31-Mar-2023	As At 31-Mar-2022	As At 31-Mar-2023	As At 31-Mar-2022
<b>Financial assets</b>				
(i) Investments	516.20	516.20	516.20	516.20
(ii) Others	23.29	19.86	23.29	19.86
(iii) Trade receivables	773.10	1,030.18	773.10	1,030.18
(iv) Cash and cash equivalents	5.00	501.58	5.00	501.58
(iv) Bank balance other than (iii) above	16.85	16.15	16.85	16.15
(iv) Loans	25.40	145.21	25.40	145.21
(iv) Others	344.69	218.07	344.69	218.07
(iv) Biological Assets	-	-	-	-
<b>Financial liabilities</b>				
(i) Long term Borrowings	114.79	244.71	114.79	244.71
(ii) Short term Borrowings	502.12	1,058.24	502.12	1,058.24
(iii) Trade payables	73.49	339.58	73.49	339.58
(iv) Other financial liabilities	-	-	-	-
(v) Other current liabilities	36.49	66.17	36.49	66.17

The management assessed that the fair values of short term financial assets and liabilities significantly approximate their carrying amounts largely due to the short term maturities of these instruments. The fair value of financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction among willing parties, other than in a forced or liquidation sale. The Company determines fair values of financial assets and financial liabilities by discounting contractual cash inflows/ outflows using prevailing interest rates of financial instruments with similar terms. The fair value of investment is determined using quoted net assets value. Further, the subsequent measurement of all finance assets and liabilities (other than investment) is at amortized cost, using the effective interest method.

**Discount rates used in determining fair value**

The interest rate used to discount estimated future cash flows, where applicable, are based on the incremental borrowing rate of the borrower which in case of financial liabilities is the weighted average cost of borrowing of the Company and in case of financial assets is the average market rate of similar credits rated instrument. The Company maintains policies and procedures to value financial assets or financial liabilities using the best and most relevant data available. In addition, the Company internally reviews valuation, including independent price validation for certain instruments. Fair value of financial assets and liabilities is the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique.

The following methods and assumptions were used to estimate fair value:-

- Fair value of short term financial assets and liabilities significantly approximate their carrying amounts largely due to the short term maturities of these instruments.
- The fair value of the Company's interest borrowing received are determined using discount rate reflects the entity's borrowing rate as at the end of the reporting period. The own non performance risk as at the end of reporting period was assessed to be insignificant.

**Fair value hierarchy**

All financial instruments for which fair value is recognized or disclosed are categorized within the fair value hierarchy described as follows, based on the lowest level input that is significant to the fair value measurement as a whole.

**Level: 1**

Quoted (unadjusted) price is active market for identical assets or liabilities

**Level: 2**

Valuation technique for which the lowest level input that has a significant effect on the fair value measurement are observed, either directly or indirectly.

**Level: 3**

Valuation technique for which the lowest level input has a significant effect on the fair value measurement is not based on observation market data.



**35 Related Party Disclosures:****35.1 Related Parties & their Relationship**

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

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

Sr. No.	Name of Related Parties	Relationship
(i)	Satish Asamal Mehta	Managing Director
(ii)	Jayesh Asamal Mehta	Director
(iii)	Satish A. Mehta HUF	HUF Of Managing Director
(iv)	Sagardeep Engineers Private Limited	Wholly Owned Subsidiary
(v)	Vismay Shah	Key Managerial Person
(vi)	Ami Doshi	Key Managerial Person
(vii)	Krishnakant P. Somani	Key Managerial Person
(viii)	Priya Raval	Key Managerial Person
(ix)	Anuja Jain	Key Managerial Person

**35.2 Transactions with Related Parties**

Amount In ₹ (Lakhs)

Particulars	Nature of Transaction	For the FY 2022-23	For the FY 2021-22
Satish A. Mehta	Salary	9.00	9.00
	Other Payables	1.06	6.00
Jayesh A. Mehta	Salary	9.00	9.00
Jayesh A. Mehta	Borrowings	-	12.70
	Repayment	12.70	-
Satish A. Mehta HUF	Borrowings	1.25	-
	Repayment	1.25	-
Sagardeep Engineers Private Limited	Borrowings	102.71	6.99
	Repayment	110.34	1.02
	Other Receivable	13.16	-
Krishnakant P. Somani	Salary	-	1.19
Priya A. Raval	Salary	-	0.78
Ami Doshi	Salary	0.90	-
Anuja Jain	Salary	1.25	-

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

**36 Payment to Auditor :-**

Amount In ₹ (Lakhs)

Particulars	For the FY 2022-23	For the FY 2021-22
Audit Fees for Statutory and Tax Audit	2.15	2.15

The above mention amount is excluding GST.

**37** Previous year's figures have been regrouped and rearranged wherever necessary.

**38 Segment Reporting**

The Company has a business segment other than Manufacturing of Copper Pipes, Copper Rods and ferrous & non-ferrous metals, however it fails to fulfil the Segment Reporting criteria. Therefore, Segment Reporting is not provided.

**39 Corporate Social Responsibility:**

The CSR related provisions are not applicable to the company, as the company do not fall under the criteria specified for the CSR provisions, as specified under the Section 135 of the Companies Act, 2013 and any rules made thereunder.

**40 Benami Transactions:**

There is no proceedings has been initiated or pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.

**41 Wilful Defaulter**

The Company has not been declared wilful defaulter by any bank or financial institutions or other lender.

**42 Transactions with Struck off Companies**

As stated & Confirmed by the Board of Directors, The Company has not under taken any transactions nor has outstanding balance with the Company Struck Off either under section 248 of the Act or under Section 560 of Companies act 1956."

**43 Satisfaction of Charge/Creation of Charge**

There is no charges or satisfaction yet to be registered with ROC beyond the statutory period.

**44 Number of Layers of Subsidiary**

The Company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with the Companies (Restriction on number of layers) Rules, 2017."

**45 Undisclosed Transactions**

As stated & confirmed by the Board of Directors, The Company does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961."

**46 Loan or Investment to Ultimate Beneficiaries**

As stated & Confirmed by the Board of Directors, The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

- (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or
- (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries

**47 Loan or Investment from Ultimate Beneficiaries**

As stated & Confirmed by the Board of Directors, The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

- (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
- (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries

**48 Utilization of Term Loans**

The Company has applied term loans for the purpose for which the same was obtained during the year."

**49 Working Capital**

The Company has been sanctioned working capital limits from a bank on the basis of security of the current assets. Quarterly returns or statements filed by the Company with such bank are not in agreement with the books of accounts.

**50 Crypto Currency**

The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year."

**51. Ratio Analysis**

Particulars	Numerator/ Denominator	As At 31- Mar-2023	As At 31- Mar-2022	Change in %	Reason
(a) Current Ratio	Current Assets Current Liabilities	2.79	1.80	54.98%	The current asset of company is reduced by 33.33% and also the current liability of company is reduced by 56.98%
(b) Debt-Equity Ratio	Debts Equity	0.22	0.48	-53.60%	The debt of the company is reduced by 52.65% and the equity is increased by 2.04%.
(c) Debt Service Coverage Ratio	Earning available for Debt Service Interest + Instalments	-	-	0.00%	Not Applicable
(d) Return on Equity Ratio	Profit after Tax Net Worth	0.02	0.02	11.25%	Not Applicable
(e) Inventory turnover ratio	Total Turnover Average Inventories	6.78	7.89	-14.06%	Not Applicable
(f) Trade Receivables turnover ratio	Total Turnover Average Account Receivable	9.71	10.52	-7.66%	Not Applicable
(g) Trade payables turnover ratio	Total Turnover Average Account Payable	42.40	22.81	85.87%	The Total Turnover of the Company is decreased by 3.97%, and average trade payable is reduced by 48.15 %.
(h) Net capital turnover ratio	Total Turnover Net Working Capital	7.70	7.69	0.12%	Not Applicable
(i) Net profit ratio	Net Profit Total Turnover	0.01	0.01	13.78%	Not Applicable
(j) Return on Capital employed	Net Profit Capital Employed	0.02	0.02	12.51%	Not Applicable
(k) Return on investment	Net Profit Total Investment	0.02	0.02	7.46%	Not Applicable

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

As per our report of even date

**For Piyush J. Shah & Co.**

Chartered Accountants

FRN :- 121172W

**Piyush J. Shah**

Partner

M. No.:- 108670

UDIN :- 23108670BHAML9442

Place :- Ahmedabad

Date :- 24 May, 2023

**For and on behalf of the Board of Directors**

**Satish A. Mehta**

Director

DIN :- 01958984

**Jayesh A. Mehta**

Director/CFO

DIN :- 02156140

**Anuja Jain**

Company Secretary

## INDEPENDENT AUDITORS' REPORT

To,  
THE MEMBERS OF  
SAGARDEEP ALLOYS LIMITED

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

We have audited the accompanying consolidated Ind AS financial statements of SAGARDEEP ALLOYS LIMITED (hereinafter referred to as "the Holding Company"), and its subsidiaries (the holding Company and its subsidiaries together referred as "the Group"), its associates and its jointly controlled entities / joint ventures and joint operations, which comprises the Consolidated Balance Sheet as at March 31, 2023, the Consolidated Profit and Loss Statement (including other comprehensive income), the Consolidated Cash Flow Statement, and the Consolidated Statement of Changes in equity, for the year then ended and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (herein after referred as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at 31 March 2023, of its consolidated profit and other comprehensive loss consolidated changes in equity and consolidated cash flows for the year then ended.

**Basis for Opinion**

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

**Key Audit Matters**

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

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

**Other Information**

The Holding Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Holding Company's Annual Report,

but does not include the financial statements and our auditor's report thereon. The Holding Company's annual report is expected to be made available to us after the date of this auditor's report. 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 identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. When we read the Holding Company's annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take necessary actions, as applicable under the relevant laws and regulations.

**Management's and Board of Directors' Responsibilities for the Consolidated Financial Statements**

The Holding Company's Management and Board of Directors are responsible for the preparation and presentation of these consolidated financial statements in terms of the requirements of the Act that give a true and fair view of the consolidated state of affairs, consolidated profit/ loss and other comprehensive income, consolidated statement of changes in equity and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act. The respective Management and Board of Directors of the Companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of each Company and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Management and Board of Directors of the Holding Company, as aforesaid. In preparing the consolidated financial statements, the respective Management and Board of Directors of the companies included in the Group are responsible for assessing the ability of each Company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

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

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements Our objectives are to obtain reasonable assurance about

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

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

- 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 the internal financial controls with reference to the consolidated financial statements 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 and Board of Directors.
- Conclude on the appropriateness of Management and Board of Directors use of the going concern basis of accounting in preparation of consolidated financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the appropriateness of this assumption. 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's 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 entities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of financial information of such entities included in the consolidated financial statements. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company and such other Companies included in the consolidated financial statements of which we are the independent auditors

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

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

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

### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the order") issued by the Central Government of India in terms of Section 143(11) of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. **A. As required by Section 143(3) of the Act, based on our audit, 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.
  - b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statement have been kept by the Company so far as it appears from our examination of those books.
  - c) The consolidated balance sheet, the consolidated statement of profit and loss, the consolidated statement of cash flow and the consolidated statement of changes in equity dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the consolidated financial statements.
  - d) In our opinion, the aforesaid financial statements comply with the Indian Accounting Standard (Ind AS) specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
  - e) On the basis of the written representations received from the directors of holding company as on 31st March, 2023, taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies, Associate Companies, jointly controlled entities / Joint Venture and joint operations incorporated in India, none of the directors of the Group is disqualified as on 31st March, 2023, from being appointed as a director in terms of Section 164 (2) of the Act.
  - f) With respect to the adequacy of the internal financial controls over financial reporting with reference to Consolidated Financial Statements of the holding company and its subsidiary companies, Associate Companies, jointly

controlled enterprise / joint ventures and Joint operations incorporated in India and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

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

1. There were no pending litigations as on 31st March, 2023, which would impact the consolidated financial position of the Group, its Associates, jointly controlled entities / joint ventures and joint operations in its consolidated financial statement.
2. The Group, its Associates, and jointly controlled entities / joint ventures and joint operations did not have any material foreseeable losses on long-term contracts including derivative contracts during the year ended March 31, 2023.
3. There was no amount which are required to be transferred, to the investor's education and protection fund by the holding company and its subsidiary companies, associate companies, and jointly controlled entities / joint ventures and joint operations incorporated in India, during the year ended on March 31, 2023.
4. i) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company or its subsidiary companies incorporated in India to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall:
  - directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Holding Company or its subsidiary companies incorporated in India or
  - provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries
- ii) The management has represented, that, to the best of its knowledge and belief, no funds have been

received by the Holding Company or its subsidiary companies incorporated in India from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company or its subsidiary companies incorporated in India shall:

- directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Funding Parties or
  - provide any guarantee, security or the like from or on behalf of the Ultimate Beneficiaries
- iii) Based on such audit procedures as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (d) (i) and (d)(ii) contain any material mis-statement.
  5. The dividend declared or paid during the year by the Holding Company and its subsidiary companies incorporated in India are in compliance with section 123 of the Act.

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

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

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

**Piyush J. Shah**  
Partner

M. No: 108670

UDIN: 23108670BHMHM2014

Place: Ahmedabad  
Date: 24th May, 2023

**Annexure A to the Independent Auditor's report on the consolidated financial statements of Sagardeep Alloys Limited for the year ended 31 March 2023**

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

- xxi. There have been no qualifications or adverse remarks by the respective auditors in the Companies (Auditor's Report) Order (CARO) reports of the companies included in the consolidated financial statements.



## Annexure B to the Independent Auditors' Report on the consolidated financial statements of Sagardeep Alloys Limited for the year ended 31 March 2023

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

(Referred to in paragraph A(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

#### Opinion

In conjunction with our audit of the consolidated financial statements of Sagardeep Alloys Limited ("the Holding Company") as of 31st March, 2023, we have audited the internal financial controls over the consolidated financial statements of the Holding Company, its subsidiary companies, its Associate Companies and jointly controlled entities / joint ventures or joint operations incorporated in India under the Companies Act, 2013.

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

The respective company's management and the Board of Directors, of the Holding Company, its subsidiary companies, its Associate Companies and jointly controlled entities / joint ventures or joint operations incorporated in India, are responsible for establishing and maintaining internal financial controls over financial reporting based on the criteria established by the respective company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013 (hereinafter referred to as "the Act").

#### Auditors' Responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls over financial reporting. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to consolidated financial statements were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls 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 the internal control based on the assessed risk. The procedure selected depend on

the auditor's judgement, including the assessment of risks of material misstatement of the consolidated financial statements, whether due to fraud or error.

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

#### Meaning of Internal Financial Controls Over Financial Reporting

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

#### 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 controls over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

**For Piyush J. Shah & Co.**

Chartered Accountants

FRN: 121172W

**Piyush J. Shah**

Partner

M. No: 108670

UDIN: 23108670BHMHM2014

Place: Ahmedabad

Date: 24th May, 2023

## CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2023

Amount in ₹ Lakhs

Particulars	Note	31-Mar-2023	31-Mar-2022
<b>I. ASSETS</b>			
<b>1 Non-current assets</b>			
(a) Property, plant & Equipment	02	1,031.70	1,081.00
(b) Capital work in progress	03	557.07	557.07
(c) Investment properties		-	-
(d) Goodwill		-	-
(e) Other intangible assets		-	-
(f) Intangible assets under development		-	-
(g) Biological assets other than bearer plants		-	-
(h) Financial assets			
(i) Investments in Subsidiaries	04	-	-
(ii) Trade receivables		-	-
(iii) Loans		-	-
(iv) Others	05	23.29	19.86
(i) Deferred tax assets (net)		-	-
(j) Other Non-current assets		-	-
		<b>1,612.06</b>	<b>1,657.93</b>
<b>2 Current assets</b>			
(a) Inventories	05	594.04	715.68
(b) Financial assets			
(i) Investments		-	-
(ii) Trade receivables	06	888.41	1,143.76
(iii) Cash and cash equivalents	07	5.73	502.51
(iv) Bank balance other than (iii) above	08	16.85	16.15
(v) Loans	09	23.92	0.02
(vi) Others		-	-
(c) Current tax assets (net)	10	15.32	35.06
(d) Other current assets	11	357.93	374.87
		<b>1,902.20</b>	<b>2,788.05</b>
<b>Total Assets</b>		<b>3,514.26</b>	<b>4,445.98</b>
<b>II. EQUITY AND LIABILITIES</b>			
<b>1 Equity</b>			
(a) Equity share capital	12	1,642.39	1,642.39
(b) Other equity	13	1,045.43	988.81
		<b>2,687.82</b>	<b>2,631.20</b>
<b>2 Liabilities</b>			
Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	14	115.00	244.72
(ia) Lease Liabilities		-	-
(ii) Trade payables		-	-
(iii) Other financial liabilities (other than those specified in (ii))		-	-
(b) Provisions	15	13.90	13.10
(c) Deferred tax liabilities (net)	16	49.87	62.53
(d) Other non-current liabilities		-	-
		<b>178.77</b>	<b>320.35</b>
<b>3 Current liabilities</b>			
(a) Financial liabilities			
(i) Borrowings	17	502.12	1,058.24
(ia) Lease Liabilities		-	-
(ii) Trade payables	18	73.49	339.58
(iii) Other financial liabilities (other than those specified in (ii))		-	-
(b) Other current liabilities	19	47.82	38.97
(c) Provisions	20	24.24	57.64
(d) Current tax liabilities (net)		-	-
		<b>647.67</b>	<b>1,494.43</b>
<b>Total Liability</b>		<b>3,514.26</b>	<b>4,445.98</b>

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

01 to 54

As per our report of even date

For Piyush J. Shah &amp; Co.

Chartered Accountants

FRN :- 121172W

Piyush J. Shah

Partner

M. No.:- 108670

UDIN :-

Place :- Ahmedabad

Date :- 24 May, 2023

For and on behalf of the Board of Directors

Satish A. Mehta

Director

DIN :- 01958984

Jayesh A. Mehta

Director/CFO

DIN :- 02156140

Anuja Jain

Company Secretary

## CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2023

Amount in ₹ Lakhs

Particulars	Note	2022-2023	2021-2022
<b>I. Revenue from operations</b>	21	8,707.84	9,067.85
<b>II. Other Income</b>	22	58.99	28.75
<b>III. Total Revenue (I + II)</b>		<b>8,766.83</b>	<b>9,096.60</b>
<b>IV. Expenses:</b>			
Cost of materials consumed	23	7,739.76	7,826.24
Purchase of stock in trade	24	252.31	529.01
Changes in Inventories of finished goods, stock in trade & WIP	25	31.65	17.24
Employee benefits expenses	26	63.61	79.18
Finance costs	27	55.91	105.47
Depreciation and amortization expense		73.14	78.98
Other expenses	28	473.13	379.07
<b>Total expenses (IV)</b>		<b>8,689.51</b>	<b>9,015.20</b>
<b>V. Profit/(Loss) before exceptional items and tax (III-IV)</b>		<b>77.32</b>	<b>81.40</b>
<b>VI. Exceptional items</b>		-	-
<b>VII. Profit/(Loss) before tax (V - VI)</b>		<b>77.32</b>	<b>81.40</b>
<b>VIII. Tax expenses</b>			
(1) Current tax		38.23	14.87
(2) Deferred tax		(12.66)	15.04
(3) Short / (Excess) Provision		(3.24)	-
<b>IX. Profit/(Loss) for the period from continuing operations (VII- VIII)</b>		<b>54.99</b>	<b>51.49</b>
<b>X. Profit/(Loss) for the period from discontinued operations</b>		-	-
<b>XI. Tax expenses of discontinued operations</b>			
<b>XII. Profit/(Loss) after tax for the period from discontinued operations (X-XI)</b>		-	-
<b>XIII. Profit/(Loss) for the period</b>		<b>54.99</b>	<b>51.49</b>
<b>XIV. Other comprehensive income</b>			
A (i) Items that will not be reclassified to profit or loss		1.63	3.15
(ii) Income tax relating to items that will not be reclassified to profit or loss		-	-
B (i) Items that will be reclassified to profit or loss		-	-
(ii) Income tax relating to items that will be reclassified to profit or loss		-	-
<b>XV. Total Comprehensive income for the period (XIII+XIV) (Comprising Profit/(Loss) and Other comprehensive income for the period)</b>		<b>56.62</b>	<b>54.63</b>
<b>XII. Earnings per equity share (for continuing operations):</b>			
(1) Basic	29	0.32	0.30
(2) Diluted		0.32	0.30
<b>XII. Earnings per equity share (for discontinued operations):</b>			
(1) Basic		-	-
(2) Diluted		-	-
<b>XII. Earnings per equity share (for discontinued &amp; continuing operations):</b>			
(1) Basic		0.32	0.30
(2) Diluted		0.32	0.30
The accompanying notes are an integral part of the financial statements.	01 to 54		

As per our report of even date

For Piyush J. Shah &amp; Co.

Chartered Accountants

FRN :- 121172W

Piyush J. Shah

Partner

M. No.:- 108670

UDIN :-

Place :- Ahmedabad

Date :- 24 May, 2023

For and on behalf of the Board of Directors

Satish A. Mehta

Director

DIN :- 01958984

Jayesh A. Mehta

Director/CFO

DIN :- 02156140

Anuja Jain

Company Secretary

## CONSOLIDATED STATEMENT OF CASH FLOW FOR THE PERIOD ENDED 31ST MARCH, 2023

Amount in ₹ Lakhs

Particulars	31-Mar-2023	31-Mar-2022
<b>Cash flow from operating activities:</b>		
Net profit before tax as per statement of profit and loss	78.20	76.09
<b>Adjusted for:</b>		
Depreciation & amortization	71.51	77.06
Interest income on loans & advances given	(35.63)	(5.71)
Interest & finance costs	55.89	105.47
<b>Operating cash flow before working capital changes</b>	<b>169.97</b>	<b>252.91</b>
<b>Adjusted for:</b>		
(Increase)/ decrease in Inventories	121.64	154.87
(Increase)/ decrease in trade receivables	255.35	(332.60)
(Increase)/ decrease in other bank balance	(0.71)	-
Increase/ (decrease) in trade payables	(266.09)	(117.76)
Increase/ (decrease) in other current assets	36.68	(173.87)
Increase/ (decrease) in Financial assets	-	-
Increase/ (decrease) in other current liabilities	8.86	(71.80)
Increase/ (decrease) in long term provisions	0.80	(2.29)
Increase/ (decrease) in short term provisions	(78.63)	35.53
<b>Cash generated from / (used in) operations</b>	<b>252.17</b>	<b>(247.78)</b>
Income taxes paid	7.00	-
<b>Net cash generated from/ (used in) operating activities [A]</b>	<b>259.17</b>	<b>(247.78)</b>
<b>Cash flow from investing activities:</b>		
Purchase of property plant & equipment	(23.84)	(32.16)
Interest income on loans & advances given	36.97	5.71
(Increase)/ decrease in long term loans and advances	(3.42)	(1.13)
(Increase)/ decrease in short term loans and advances	(23.90)	244.96
<b>Net cash flow from/(used) in investing activities [B]</b>	<b>(14.19)</b>	<b>217.38</b>
<b>Cash flow from financing activities:</b>		
Increase in / Repayment of Long-Term Borrowings	(129.73)	38.28
Increase in / Repayment of Short-Term Borrowings	(556.12)	593.98
Interest & finance costs	(55.91)	(105.47)
<b>Net cash flow from/(used in) financing activities [C]</b>	<b>(741.76)</b>	<b>526.79</b>
<b>Net increase/(decrease) in cash &amp; cash equivalents [A+B+C]</b>	<b>(496.78)</b>	<b>496.39</b>
Cash & cash equivalents as at beginning of the period	502.50	6.12
Cash & cash equivalents as at end of the period (Refer Note: 07)	5.73	502.50
<b>Cash &amp; Cash equivalents consist of</b>		
Cash Balance	4.63	1.08
Current Account Balance	1.10	501.43
<b>Total</b>	<b>5.73</b>	<b>502.50</b>

The accompanying notes are an integral part of the financial statements. 01 to 54

The cash flow statement has been prepared under the indirect method as set out in Indian Accounting Standard (IND AS-7) Statement of Cash flows.

As per our report of even date

**For Piyush J. Shah & Co.**

Chartered Accountants

FRN :- 121172W

**Piyush J. Shah**

Partner

M. No.:- 108670

UDIN :-

Place :- Ahmedabad

Date :- 24 May, 2023

**For and on behalf of the Board of Directors**

**Satish A. Mehta**

Director

DIN :- 01958984

**Jayesh A. Mehta**

Director/CFO

DIN :- 02156140

**Anuja Jain**

Company Secretary

## STATEMENT OF CONSOLIDATED CHANGES IN EQUITY FOR THE PERIOD ENDED MARCH 31, 2023

## A EQUITY SHARE CAPITAL:

Amount in ₹ Lakhs

Particulars	Note No.	As at 31-Mar-2023	As at 31-Mar-2022
<b>Balance at the beginning of the reporting period</b>	<b>13</b>	<b>1,137.16</b>	<b>1,137.16</b>
Changes in Equity Share Capital due to prior period errors		-	-
Restated balance at the beginning of the current reporting period		1,137.16	1,137.16
Changes in equity share capital during the current year		-	-
<b>Balance at the end of the year</b>		<b>1,137.16</b>	<b>1,137.16</b>

## B Other Equity:

Amount in ₹ Lakhs

Particulars	Share application money pending allotment	Equity component of compound financial instruments	Reserves & Surplus			Other Comprehensive Income	Money received against share warrants	Total
			Securities premium reserves	Capital Reserve	Retained earnings			
<b>Balance as at April 01, 2022</b>	-	-	<b>209.45</b>	<b>29.79</b>	<b>745.40</b>	<b>4.17</b>	-	<b>988.81</b>
Changes in accounting policy or prior period errors	-	-	-	-	-	-	-	-
Restated balance at the beginning of the current reporting period	-	-	209.45	29.79	745.40	4.17	-	988.81
Profit/(Loss) for the period	-	-	-	-	54.99	-	-	54.99
Reclassification of OCI into Retained earning	-	-	-	-	-	-	-	-
Other comprehensive income for the year	-	-	-	-	-	1.63	-	1.63
Total comprehensive income for the year	-	-	-	-	54.99	1.63	-	56.62
<b>Balance as at March 31, 2023</b>	-	-	<b>209.45</b>	<b>29.79</b>	<b>800.39</b>	<b>5.80</b>	-	<b>1,045.43</b>
<b>Balance as at April 01, 2021</b>	-	-	<b>209.45</b>	<b>29.79</b>	<b>693.91</b>	<b>1.02</b>	-	<b>934.18</b>
Changes in accounting policy or prior period errors	-	-	-	-	-	-	-	-
Restated balance at the beginning of the current reporting period	-	-	209.45	29.79	693.91	1.02	-	934.18
Profit/(Loss) for the period	-	-	-	-	51.49	-	-	51.49
Reclassification of OCI into Retained earning	-	-	-	-	-	3.15	-	3.15
Utilized towards issue of Bonus Shares	-	-	-	-	-	-	-	-
Other comprehensive income for the year	-	-	-	-	-	-	-	-
Total comprehensive income for the year	-	-	-	-	51.49	3.15	-	54.63
<b>Balance as at March 31, 2022</b>	-	-	<b>209.45</b>	<b>29.79</b>	<b>745.40</b>	<b>4.17</b>	-	<b>988.81</b>

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

As per our report of even date

**For Piyush J. Shah & Co.**

Chartered Accountants

FRN :- 121172W

**Piyush J. Shah**

Partner

M. No.:- 108670

UDIN :- 23108670BHAMHL9442

Place :- Ahmedabad

Date :- 24 May, 2023

**For and on behalf of the Board of Directors****Satish A. Mehta**

Director

DIN :- 01958984

**Jayesh A. Mehta**

Director/CFO

DIN :- 02156140

**Anuja Jain**

Company Secretary

**Note: 1****Note: A****Corporate Information:**

Sagardeep Alloys Limited (CIN L29253GJ2007PLC050007) is incorporated under the Companies Act, 1956 with its registered office at Plot No. 2070, Rajnagar Patiya, Santej Khatraj Road, Santej, Kalol, Gandhinagar, Gujarat -382721. The shares of the company is listed on National Stock Exchange of India.

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

The financial statements for the year ended on 31st March, 2023 are approved by the Board of Directors and authorised for issue on 24 May, 2023.

**Basis of Preparation of Financial Statements:****1. Basis of Preparation and Presentation**

- i) The financial statements are prepared on historical cost basis in accordance with applicable Indian Accounting Standards (Ind AS) and on accounting principles of going concern except current investments which are measured at fair values. These financial statements have been prepared to comply with all material aspects with the Indian accounting standards notified under section 133 of the Act, (the "Act") read with Rule 7 of the Companies (Accounts) Rules, 2014, and the other relevant provisions of the Act.
- ii) Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policies hitherto in use.
- iii) As the quarter and year figures are taken from the source and rounded to the nearest digits, the figures already reported for all the quarters during the year might not always add up to the year figures reported in this statement.
- iv) All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Act. Based on the nature of products and the time between the acquisition of assets for processing and their realization in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current classification of assets and liabilities.

**2. Use of Estimates**

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

**3. Property, Plant and Equipment**

- i) Property, Plant and Equipment are stated at original cost (net of tax/duty credit availed) less accumulated depreciation and impairment losses. Cost includes cost of acquisition, construction and installation, taxes, duties, freight, other incidental expenses related to the acquisition, and pre-operative expenses including attributable borrowing costs incurred during pre-operational period.
- ii) Subsequent costs are included in the assets' carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably. The carrying amount of any component as a separate asset is derecognized when replaced. All other repairs and maintenance are charged to statement of profit and loss during the reporting period in which they are incurred.
  - a) Land and buildings held for use in the production or supply of goods or services, or for administrative purposes, are stated in the balance sheet at deemed cost less and accumulated depreciation. Freehold land is not depreciated.
  - b) Properties in the course of construction for production, supply or administrative purposes are carried at cost, less any recognised impairment loss. Cost includes professional fees and, for qualifying assets, borrowing costs capitalised in accordance with the Company's accounting policy. Such properties are classified to the appropriate categories of property, plant and equipment when completed and ready for intended use. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.
  - c) Fixtures and equipment are stated at cost less accumulated depreciation and accumulated impairment losses.
  - d) An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.
  - e) Subsequent expenditures related to an item of Tangible Asset are added to its book value only if they increase the future benefits from the existing asset beyond its previously assessed standard of performance.



- f) Assets which are not ready for their intended use on reporting date are carried as capital work-in-progress at cost, comprising direct cost and related incidental expenses.
- g) Useful lives of the Property, Plant and Equipment as notified in Schedule II to the Companies Act, 2013 are as follows :
  - Buildings - 3 to 60 years
  - Plant and Equipment - 15 to 25 years
  - Furniture and Fixtures - 10 years
  - Vehicles - 8 to 10 years
  - Office Equipment - 5 to 10 years
- h) At each balance sheet date, the Company reviews the carrying amount of property, plant and equipment to determine whether there is any indication of impairment loss. If any such indication exists, the recoverable amount of the assets is estimated in order to determine the extent of impairment loss. The recoverable amount is higher of the net selling price and the value in use, determined by discounting the estimated future cash flows expected from the continuing use of the asset to their present value.

#### 4. Intangible Assets

- i) Intangible assets acquired by payment e.g. Computer Software is disclosed at cost less amortisation on a straight-line basis over its estimated useful life.
- ii) Intangible assets are carried at cost, net of accumulated amortisation and impairment loss, if any.
- iii) Intangible assets are amortised on straight-line method, if any.
- iv) At each balance sheet date, the Company reviews the carrying amount of intangible assets to determine whether there is any indication of impairment loss. If any such indication exists, the recoverable amount of the assets is estimated in order to determine the extent of impairment loss. The recoverable amount is higher of the net selling price and the value in use, determined by discounting the estimated future cash flows expected from the continuing use of the asset to their present value.

#### 5. Depreciation

- i) Depreciation on tangible Property, Plant & Equipment is provided for on basis of useful life specified in Schedule II to the Act.
- ii) Intangible assets such as Software are amortized in ten equal yearly instalments commencing from the year in which the tangible benefits start accruing to the Company from such assets, if any.
- iii) Depreciation is charged as per the provisions of Schedule II to the Act based upon useful life of assets. The useful life is adopted for the purpose of depreciation is as under.
  - Buildings - 3 to 60 years
  - Plant and Equipment - 15 to 25 years
  - Furniture and Fixtures - 10 years
  - Vehicles - 8 to 10 years
  - Office Equipment - 5 to 10 years

#### 6. Revenue Recognition

- i) Revenue comprises of all economic benefits that arise in the ordinary course of activities of the Company which result in increase in Equity, other than increases relating to contributions from equity participants. Revenue is recognised 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 or receivable.
- ii) Sale of Goods: Revenue from sales of goods is recognized on transfer of significant risks and rewards of ownership to the customers. Revenue shown in the Statement of Profit and Loss excludes, returns, trade discounts, cash discounts, Goods & Service Tax.
- iii) Services: Revenue from Services are recognised as and when the services are rendered.
- iv) Export incentives under various schemes are accounted in the year of export, if any.
- v) Interest income is recognized on a time proportion basis taking into account the amount outstanding and the interest rate applicable.

#### 7. Employee Benefits

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

- ii) Post Employment and Retirement benefits in the form of Gratuity are considered as defined benefit obligations and is provided for on the basis of third party actuarial valuation, using the projected unit credit method, as at the date of the Balance Sheet. Every Employee who has completed five years or more of service is entitled to Gratuity on terms not less favourable than the provisions of The Payment of Gratuity Act, 1972.
- iii) The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of reporting period on government bonds that have terms approximating to the terms of the related obligation.
- iv) Employee benefits in the form of Provident Fund is considered as defined contribution plan and the contributions to Employees' Provident Fund Organization established under The Employees' Provident Fund and Miscellaneous Provisions Act 1952 is charged to the Statement of Profit and Loss of the year when the contributions to the respective funds are due. The Company pays provident fund contributions to publicly administered provident funds as per local regulations. The Company has no further payment obligations once the contributions have been paid.

**8. Valuation of Inventories**

- i) The cost of inventories have been computed to include all cost of purchases, cost of conversion and other related costs incurred in bringing the inventories to their present location and condition. The costs of Raw Materials, Stores and spare parts etc., consumed consist of purchase price including duties and taxes (other than those subsequently recoverable by the enterprise from the taxing authorities), freight inwards and other expenditure directly attributable to the procurement.
- ii) Stock of Raw Materials are valued at cost and of those in transit and at port related to these items are valued at cost to date. Goods and materials in transit are valued at actual cost incurred up to the date of balance sheet. Material and supplies held for use in the production of inventories are not written down if the finished products in which they will be used are expected to be sold at or above cost.
- iii) Stock of Stores and spare parts, and Power & Fuels are valued at cost; and of those in transit and at port related to these items are valued at cost.
- iv) Goods-in-process is valued at lower of cost or net realisable value.
- v) Stock-in-trade is valued at lower of cost or net realisable value.
- vi) Stock of Finished goods is valued at lower of cost or net realisable value.

**9. Cash Flow Statement**

- i) Cash flows are reported using indirect method, whereby profit before tax is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flow from regular revenue generating, financing and investing activities of the Company is segregated.
- ii) Cash and cash equivalents in the balance sheet comprise cash at bank, cash/cheques in hand and short term investments with an original maturity of three months or less.

**10. Financial Assets**

- i) The Company classifies its financial assets as those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and those to be measured at amortized cost.
- ii) Trade receivables represent receivables for goods sold by the Company upto to the end of the financial year. The amounts are generally unsecured and are usually received as per the terms of payment agreed with the customers. The amounts are presented as current assets where receivable is due within 12 months from the reporting date.
- iii) Trade receivables are impaired using the lifetime expected credit loss model under simplified approach. The Company uses a matrix to determine the impairment loss allowance based on its historically observed default rates over expected life of trade receivables and is adjusted for forward looking estimates. At every reporting date, the impairment loss allowance, if any, is determined and updated and the same is deducted from Trade Receivables with corresponding charge/credit to the standalone Statement of Profit and Loss.
- iii) A financial asset is derecognized only when the Company has transferred the rights to receive cash flows from the financial asset, or when it has transferred substantially all the risks and rewards of the asset, or when it has transferred the control of the asset.

**11. Financial Liabilities**

- i) Borrowings are initially recognised and subsequently measured at amortised cost, net of transaction costs incurred. The transaction costs is amortised over the period of borrowings using the effective interest method in Capital Work in Progress up to the commencement of related Plant, Property and Equipment and subsequently under finance costs in the standalone Statement of profit and loss.

- ii) Borrowings are removed from balance sheet when the obligation specified in the contract is discharged, cancelled or expired.
- iii) Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.
- iv) Trade Payables represent liabilities for goods and services provided to the Company up to the end of the financial year. The amounts are unsecured and are usually paid as per the terms of payment agreed with the vendors. The amounts are presented as current liabilities unless payment is not due within 12 months after the reporting period.
- v) 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.

## 12. Borrowing Costs

- i) Borrowing costs are interest and other costs (including exchange differences relating to foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs) incurred in connection with the borrowing of funds.
- ii) General and specific borrowing costs that are directly attributable to the acquisition or construction of qualifying assets are capitalised as part of the cost of such assets during the period of time that is required to complete and prepare the asset for its intended use. A qualifying asset is one that takes necessarily substantial period of time to get ready for its intended use.
- iii) All other borrowing costs are expensed in the period in which they are incurred.

## 13. Foreign Currency Transactions

- i) The Company's financial statements are presented in Indian Rupees ('₹'), which is also the Company's functional currency.
- ii) Foreign currency transactions are recorded on initial recognition in the functional currency, using the exchange rate at the date of the transaction. At each balance sheet date, foreign currency monetary items are reported using the closing exchange rate. Exchange differences that arise on settlement of monetary items or on reporting at each balance sheet date of the Company's monetary items at the closing rate are recognised as income or expenses in the period in which they arise.
- iii) Non-monetary items which are carried at historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction.

## 14. Accounting for Taxes on Income

- i) Tax expenses comprise of current tax and deferred tax including applicable surcharge and cess.
- ii) Current Income tax is computed using the tax effect accounting method, where taxes are accrued in the same period in which the related revenue and expenses arise. A provision is made for income tax annually, based on the tax liability computed, after considering tax allowances and exemptions. Provisions are recorded when it is estimated that a liability due to disallowances or other matters is probable.
- iii) Deferred tax is provided using the balance sheet approach on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date. Deferred tax liabilities are recognized for all taxable temporary differences. Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any un used tax losses. Deferred tax assets are recognized to the extent that it is probable that taxable profits against which the deductible temporary differences, and the carry forward unused tax credits and unused tax losses can be utilized.
- iv) The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax assets to be utilised. Unrecognised deferred tax assets are reassessed at each reporting date and are recognised to the extent that it is 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 the tax rates and tax laws that have been enacted or substantively enacted at the reporting date.
- v) Deferred tax is recognised in the statement of profit and loss, except to the extent that it relates to items recognised in other comprehensive income. As such, deferred tax is also recognised in other comprehensive income.
- vi) Deferred Tax Assets and Deferred Tax Liabilities are offset, if a legally enforceable right exists to set off current tax assets against current tax liabilities and the Deferred Tax Assets and Deferred Tax Liabilities relate to taxes on income levied by same governing taxation laws.

## 15. Investments

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

**16. Impairment**

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

**17. Government Grants**

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

**18. Provisions, Contingent Liabilities and Contingent Assets**

- i) Provisions are made when (a) the Company has a present legal or constructive obligation as a result of past events; (b) it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and (c) a reliable estimate is made of the amount of the obligation.
- ii) Contingent liabilities are not provided for but are disclosed by way of Notes on Accounts. Contingent liabilities is disclosed in case of a present obligation from past events (a) when it is not probable that an outflow of resources will be required to settle the obligation; (b) when no reliable estimate is possible; (c) unless the probability of outflow of resources is remote.
- iii) Contingent assets are not accounted but disclosed by way of Notes on Accounts where the inflow of economic benefits is probable.

**19. Current and Non-Current Classification**

- i) The Normal Operating Cycle for the Company has been assumed to be of twelve months for classification of its various assets and liabilities into "Current" and "Non-Current".
- ii) The Company presents assets and liabilities in the balance sheet based on current and non-current classification.
- iii) An asset is current when it is (a) expected to be realised or intended to be sold or consumed in normal operating cycle; (b) held primarily for the purpose of trading; (c) expected to be realised within twelve months after the reporting period; (d) Cash and cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period. All other assets are classified as non-current.
- iv) An liability is current when (a) it is expected to be settled in normal operating cycle; (b) it is held primarily for the purpose of trading; (c) it is due to be discharged within twelve months after the reporting period; (d) there is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period. All other liabilities are classified as non-current.

**20. Segment Reporting**

- i) The Company has a business segment other than Manufacturing of Copper Pipes, Copper Rods and ferrous & non-ferrous metals, however it fails to fulfil the Segment Reporting criteria. Therefore, Segment Reporting is not provided.

**21. Related Party Transactions**

- i) A related party is a person or entity that is related to the reporting entity preparing its financial statement
  - a) A person or a close member of that person's family is related to reporting entity if that person;
    - a. has control or joint control of the reporting entity;
    - b. has significant influence over the reporting entity; or
    - c. is a member of the key management personnel of the reporting entity or of a parent of the reporting entity.
  - b) An entity is related to a reporting entity if any of the following conditions applies;
    - a. the entity and the reporting entity are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others);
    - b. One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member);
    - c. Both entities are joint ventures of the same third party;

- d. One entity is a joint venture of a third entity and the other entity is an associate of the third entity;
- e. The entity is a post-employment benefit plan for the benefit of employees of either the reporting entity or an entity related to the reporting entity;
- f. The entity is controlled or jointly controlled by a person identified in (a);
- g. A person identified in (a)
- h. The entity, or any member of a group of which it is a part, provides key management personnel services to the reporting entity or to the parent of the reporting entity.

Has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity);

A related party transaction is a transfer of resources, services or obligations between a reporting entity and a related party, regardless of whether a price is charged.

Close members of the family of a person are those family members who may be expected to influence, or be influenced by, that person in their dealings with the entity.

Compensation includes all employee benefits i.e. all forms of consideration paid, payable or provided by the entity, or on behalf of the entity, in exchange for services rendered to the entity. It also includes such consideration paid on behalf of a parent of the entity in respect of the entity.

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director (whether executive or otherwise) of that entity."

- c) Disclosure of related party transactions as required by the IND AS is furnished in the Notes on the Standalone Financial Statements.

## 22. Earning Per Share

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

## 22. Critical Accounting Judgments, Assumptions and Key Sources of Estimation Uncertainty

The preparation of the Standalone Financial Statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities at the date of the financial statements. Estimates and assumptions are continuously evaluated and are based on management's experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

### i) Judgements

In the process of applying the Company's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the standalone financial statements:

#### a) Determination of Functional Currency

Currency of the primary economic environment in which the Company operates ("the functional currency") is Indian Rupee (Rs) in which the Company primarily generates and expends cash. Accordingly, the Management has assessed its functional currency to be Indian Rupee (Rs) i.e. Rs in Lakhs.

#### b) Evaluation of Indicators for Impairment of Property, Plant and Equipment

The evaluation of applicability of indicators of impairment of assets requires assessment of external factors (significant decline asset's value, significant changes in the technological, market, economic or legal environment, market interest rates etc.) and internal factors (obsolescence or physical damage of an asset, poor economic performance of the asset etc.) which could result in significant change in recoverable amount of the Property, Plant and Equipment.

### ii) Assumptions and Estimation Uncertainties

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

**a) Useful lives of Property, Plant and Equipment/Intangible Assets**

Property, Plant and Equipment/ Intangible Assets are depreciated/amortised over their estimated useful lives, after taking into account estimated residual value. The useful lives and residual values are based on the Company's historical experience with similar assets and taking into account anticipated technological changes or commercial obsolescence. Management reviews the estimated useful lives and residual values of the assets annually in order to determine the amount of depreciation/amortisation to be recorded during any reporting period. The depreciation/amortisation for future periods is revised, if there are significant changes from previous estimates and accordingly, the unamortised/depreciable amount is charged over the remaining useful life of the assets.

**b) Contingent Liabilities**

In the normal course of business, Contingent Liabilities may arise from litigation and other claims against the Group. Potential liabilities that are possible but not probable of crystallising or are very difficult to quantify reliably are treated as contingent liabilities. Such liabilities are disclosed in the Notes but are not recognised. Potential liabilities that are remote are neither recognised nor disclosed as contingent liability. The management decides whether the matters need to be classified as 'remote', 'possible' or 'probable' based on expert advice, past judgements, experiences etc.

**c) Evaluation of Indicators for Impairment of Property, Plant and Equipment**

The evaluation of applicability of indicators of impairment of assets requires assessment of external factors (significant decline in asset's value, economic or legal environment, market interest rates etc.) and internal factors (obsolescence or physical damage of an asset, poor economic performance of the idle assets etc.) which could result in significant change in recoverable amount of the Property, Plant and Equipment and such assessment is based on estimates, future plans as envisaged by the Company.

**d) Provisions**

Provisions and liabilities are recognised in the period when it becomes probable that there will be a future outflow of funds resulting from past operations or events and the amount of cash outflow can be reliably estimated. The timing of recognition and quantification of the liability requires the application of judgement to existing facts and circumstances, which can be subject to change. The carrying amounts of provisions and liabilities are reviewed regularly and revised to take account of changing facts and circumstances.

02 Property, Plant and Equipment as at 31st March, 2023

Amount in ₹ Lakhs

	Description of Assets	Useful life (In Years)	Shift Operated	Balance as at 01-Apr-22	Additions during the period	Deletions during the period	Balance as at 31-Mar-23	Balance as at 01-Apr-22	Provided during the period	Deletions during the period	Balance as at 31-Mar-23	Balance as at 31-Mar-23	Balance as at 31-Mar-22
<b>A</b>	<b>Tangible Assets</b>												
<b>(a)</b>	<b>Own Assets</b>												
	<b>Buildings</b>												
	Factory at Santej	30.00	Single	68.92	-	-	68.92	24.98	2.19	-	27.17	41.75	43.94
	Bandhu Samaj	30.00	Single	78.34	-	-	78.34	25.49	2.64	-	28.13	50.21	52.85
	Supath 2 -Complex	30.00	Single	5.05	-	-	5.05	0.59	0.16	-	0.75	4.31	4.47
	Shed at Rakhial	30.00	Single	11.77	-	-	11.77	4.47	0.42	-	4.89	6.88	7.30
	Building Others	30.00	Single	33.57	144.68	-	178.25	2.16	5.65	-	7.81	170.44	31.41
	Shed at Jagannath Estate	30.00	Single	7.42	-	-	7.42	1.13	0.24	-	1.37	6.06	6.29
	Golden Estate D1 to D20	60.00	-	103.17	-	-	103.17	10.31	1.63	-	11.95	91.23	92.86
				<b>308.25</b>	<b>144.68</b>	-	<b>452.93</b>	<b>69.13</b>	<b>12.93</b>	-	<b>82.06</b>	<b>370.87</b>	<b>239.13</b>
	<b>Plant &amp; Machinery</b>												
	Plant & Machinery	15.00	Single	644.93	13.51	5.30	653.14	144.74	44.06	0.67	188.13	7.65	12.49
	Analytical Machine	15.00	Single	10.12	-	-	10.12	7.66	0.71	-	8.37	1.75	2.46
	Crane	15.00	Single	10.50	-	-	10.50	2.06	0.67	-	2.72	7.74	8.44
	Plant & Machinery - Lunej	15.00	Single	281.82	-	281.82	-	140.56	10.00	150.56	0.00	(0.00)	141.26
				<b>947.37</b>	<b>13.51</b>	<b>287.12</b>	<b>673.76</b>	<b>295.02</b>	<b>55.44</b>	<b>151.23</b>	<b>199.22</b>	<b>474.53</b>	<b>652.35</b>
	<b>Furniture &amp; Fittings</b>												
	Almonard Air Fan	10.00	Single	0.80	-	-	0.80	0.20	0.08	-	0.28	0.52	0.60
	Furniture & Fixtures	10.00	Single	0.16	-	-	0.16	0.15	-	-	0.15	0.01	0.01
				<b>0.96</b>	-	-	<b>0.96</b>	<b>0.35</b>	<b>0.08</b>	-	<b>0.43</b>	<b>0.57</b>	<b>0.61</b>
	<b>Office Equipment</b>												
	Air Conditioner	5.00	Single	4.66	0.21	-	4.87	3.37	0.73	-	4.10	8.07	1.29
	CCTV	10.00	Single	0.60	-	-	0.60	0.35	0.11	-	0.47	0.13	0.25
	R O Plant	10.00	Single	1.69	-	-	1.69	0.79	0.15	-	0.93	0.75	0.90
	Water Cooler	10.00	Single	0.32	-	-	0.32	0.17	0.04	-	0.21	0.11	0.15
	Refrigerator	10.00	Single	1.20	-	-	1.20	0.84	0.23	-	1.07	0.13	0.35
	Water Dispenser	5.00	Single	0.15	-	-	0.15	0.14	-	-	0.14	0.01	0.01
	Metal Detector	5.00	Single	0.02	-	-	0.02	0.01	0.00	-	0.02	0.01	0.01
	Television	5.00	Single	0.16	-	-	0.16	0.07	0.03	-	0.10	0.06	0.09
	Amazon Fire Stick	5.00	Single	0.03	-	-	0.03	0.02	0.01	-	0.02	0.01	0.02
	Temperature Meter	5.00	Single	0.04	-	-	0.04	0.01	0.01	-	0.02	0.02	0.03
	Shutter	5.00	Single	0.13	-	-	0.13	0.04	0.00	-	0.05	0.08	0.08
	Sofa Chair	5.00	Single	0.07	-	-	0.07	0.01	0.05	-	0.06	0.01	0.05
	Mixer Grinder	5.00	Single	0.03	-	-	0.03	0.01	0.00	-	0.01	0.02	0.02
	Mobile Phones	5.00	Single	3.17	-	-	3.17	1.69	0.02	-	1.71	1.46	1.48
	Washing Machine	5.00	Single	0.24	-	-	0.24	0.13	0.01	-	0.13	0.10	0.11
				<b>12.49</b>	<b>0.21</b>	-	<b>12.71</b>	<b>7.65</b>	<b>1.39</b>	-	<b>9.03</b>	<b>3.67</b>	<b>4.84</b>



## 02 Property, Plant and Equipment as at 31st March, 2023

Amount in ₹ Lakhs

Description of Assets	Useful life (In Years)	Shift Operated	Balance as at 01-Apr-22	Additions during the period	Deletions during the period	Balance as at 31-Mar-23	Balance as at 01-Apr-22	Provided during the period	Deletions during the period	Balance as at 31-Mar-23	Balance as at 31-Mar-23	Balance as at 31-Mar-22
<b>Intangible Assets</b>												
Software	10.00	Single	-	0.15	-	0.15	-	0.01	-	0.01	0.14	-
			-	<b>0.15</b>	-	<b>0.15</b>	-	<b>0.01</b>	-	<b>0.01</b>	<b>0.14</b>	-
<b>Motor Vehicles</b>												
Motor Car	8.00	Single	58.81	-	-	58.81	43.41	2.89	-	46.30	12.51	15.41
Other Vehicles	10.00	Single	1.29	-	-	1.29	1.22	-	-	1.22	0.06	0.06
			<b>60.10</b>	-	-	<b>60.10</b>	<b>44.63</b>	<b>2.89</b>	-	<b>47.52</b>	<b>12.58</b>	<b>15.47</b>
<b>Computers and Data Processing Units</b>												
Computers and Printer	3.00	Single	5.96	0.13	-	6.09	4.92	0.39	-	5.30	0.79	1.04
Laptop	3.00	Single	0.66	1.05	-	1.70	0.14	-	-	0.14	1.56	0.52
Printer Canon LBP 151 DW	3.00	Single	0.11	-	-	0.11	0.03	0.02	-	0.05	0.07	0.08
			<b>6.73</b>	<b>1.18</b>	-	<b>7.91</b>	<b>5.09</b>	<b>0.40</b>	-	<b>5.49</b>	<b>2.42</b>	<b>1.64</b>
Land	-	-	166.96	-	-	166.96	-	-	-	-	166.96	166.96
<b>Total (A)</b>	-	-	<b>1,502.86</b>	<b>159.73</b>	<b>287.12</b>	<b>1,375.48</b>	<b>421.87</b>	<b>73.14</b>	<b>151.23</b>	<b>343.78</b>	<b>1,031.70</b>	<b>1,081.00</b>
<b>B Capital Work in Progress</b>												
<b>Buildings</b>												
Bandhu Samaj (WIP)	-	-	133.04	-	-	133.04	-	-	-	-	133.04	133.04
Factory Shed (WIP)	-	-	89.56	-	-	89.56	-	-	-	-	89.56	89.56
Golden Estate D11 to D20	-	-	108.45	-	-	108.45	-	-	-	-	108.45	108.45
Golden Estate H15 to H16	-	-	23.31	-	-	23.31	-	-	-	-	23.31	23.31
Golden Estate H3 to H4	-	-	23.31	-	-	23.31	-	-	-	-	23.31	23.31
Sindh Bank	-	-	92.82	-	-	92.82	-	-	-	-	92.82	92.82
<b>Plant &amp; Machinery</b>												
Plant & Machinery (WIP)	-	-	61.76	-	-	61.76	-	-	-	-	61.76	61.76
Plot No. 3529 Plant and machinery	-	-	24.83	-	-	24.83	-	-	-	-	24.83	24.83
<b>Total (B)</b>	-	-	<b>557.07</b>	-	-	<b>557.07</b>	-	-	-	-	<b>557.07</b>	<b>557.07</b>
<b>Grand Total (A+B)</b>	-	-	<b>2,059.94</b>	<b>159.73</b>	<b>287.12</b>	<b>1,932.55</b>	<b>421.87</b>	<b>73.14</b>	<b>151.23</b>	<b>343.78</b>	<b>1,588.77</b>	<b>1,638.07</b>

## Sub Note:

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

**03 Capital Work In Progress:**

Amount In ₹ (Lakhs)

Particulars	As At 31-Mar-2023	As At 31-Mar-2022
<b>Capital work in progress</b>		
Tangible Assets	86.60	86.60
Buildings	470.47	470.47
<b>TOTAL ₹ :</b>	<b>557.07</b>	<b>557.07</b>

**CWIP Aging Schedule(Current Year):**

Particulars	Amount in ₹ (Lakhs) (CWIP for a period of)				Total
	< 1 Year	1-2 Years	2-3 Years	> 3 Years	
Project in Progress	-	-	5.27	242.61	247.88
Project temporarily suspended	-	27.09	59.51	222.60	309.20
<b>TOTAL ₹ :</b>					<b>557.07</b>

**CWIP Aging Schedule(Previous Year):**

Particulars	Amount in ₹ (Lakhs) (CWIP for a period of)				Total
	< 1 Year	1-2 Years	2-3 Years	> 3 Years	
Project in Progress	27.09	59.51	66.31	404.17	557.07
Project temporarily suspended	-	-	-	-	-
<b>TOTAL ₹ :</b>					<b>557.07</b>

**Note : 1**

- A) Cost of Property, Plant & Equipment and pre-operative expenses, being technical matter, are capitalized or allocated to Capital work in progress on the basis of data certified by technical person & the Management.
- B) During the year working on Property, plant & equipment is temporarily suspended, and fair value is more than cost incurred on it. So company had recognise the CWIP at cost."

**04 Financial Assets - Others**

Amount In ₹ (Lakhs)

Particulars	As At 31-Mar-2023	As At 31-Mar-2022
Security Deposits	23.29	19.86
<b>TOTAL ₹ :</b>	<b>23.29</b>	<b>19.86</b>

**05 Inventories:**

Amount In ₹ (Lakhs)

Particulars	As At 31-Mar-2023	As At 31-Mar-2022
Raw Material	439.49	529.48
Finished Goods	134.26	161.75
Traded Goods	0.53	0.64
Work In Progress	19.76	23.81
(Inventory is valued on the basis of FIFO cost method)		
<b>TOTAL ₹ :</b>	<b>594.04</b>	<b>715.68</b>

**06 Trade Receivables:**

Amount In ₹ (Lakhs)

Particulars	As At 31-Mar-2023	As At 31-Mar-2022
<b>Unsecured</b>		
Considered Good	776.45	1,031.80
Considered doubtful	111.96	111.96
	<b>888.41</b>	<b>1,143.76</b>
Less: Allowance for doubtful debts	-	-
<b>TOTAL ₹ :</b>	<b>888.41</b>	<b>1,143.76</b>

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 Months - 1 year	1-2 Years	2-3 Years	More than 3 Years	As At 31-Mar-2023
(i) Undisputed Trade Receivables - Considered Good	408.39	206.15	43.93	116.23	1.75	776.45
(ii) Undisputed Trade Receivables - Which have significant increase in credit risk	-	-	-	-	111.96	111.96
(iii) Undisputed Trade Receivables - Credit impaired	-	-	-	-	-	-
(vi) Disputed Trade Receivables - Considered Good	-	-	-	-	-	-
(v) Disputed Trade Receivables - Which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables - Credit impaired	-	-	-	-	-	-

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 Months - 1 year	1-2 Years	2-3 Years	More than 3 Years	As At 31-Mar-2022
(i) Undisputed Trade Receivables - Considered Good	533.14	276.52	220.38	0.35	1.40	1,031.80
(ii) Undisputed Trade Receivables - Which have significant increase in credit risk	-	-	-	-	111.96	111.96
(iii) Undisputed Trade Receivables - Credit impaired	-	-	-	-	-	-
(vi) Disputed Trade Receivables - Considered Good	-	-	-	-	-	-
(v) Disputed Trade Receivables - Which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables - Credit impaired	-	-	-	-	-	-

**07 Cash & Cash Equivalents:**

Amount In ₹ (Lakhs)

Particulars	As At 31-Mar-2023	As At 31-Mar-2022
Balance with Banks	4.63	1.08
Cash on hand	1.10	501.43
<b>TOTAL ₹ :</b>	<b>5.73</b>	<b>502.51</b>

**08 Bank balance other than (07) above:**

Amount In ₹ (Lakhs)

Particulars	As At 31-Mar-2023	As At 31-Mar-2022
Fixed Deposits with Banks	16.85	16.15
<b>TOTAL ₹ :</b>	<b>16.85</b>	<b>16.15</b>

**09 Loans:**

Amount In ₹ (Lakhs)

Particulars	As At 31-Mar-2023	As At 31-Mar-2022
<b>Advances to Outsiders</b>		
Loan/Advance to Outsiders	23.92	0.02
<b>TOTAL ₹ :</b>	<b>23.92</b>	<b>0.02</b>

**10 Current Tax Assets:**

Amount In ₹ (Lakhs)

Particulars	As At 31-Mar-2023	As At 31-Mar-2022
<b>Receivable from Government</b>		
Advance Tax Include. TDS and TCS	10.36	31.99
Income Tax Refund Receivables	4.96	3.07
<b>TOTAL ₹ :</b>	<b>15.32</b>	<b>35.06</b>

**11 Other Current Assets:**

Amount In ₹ (Lakhs)

Particulars	As At 31-Mar-2023	As At 31-Mar-2022
<b>Advances to Others</b>		
Advances to Suppliers (Refer Sub Note:1)	25.40	145.21
GST Receivable	24.05	(28.35)
Other Receivables	303.14	241.87
Prepaid Expenses (Refer Sub Note : 2)	4.36	12.58
Deposit with Government (Sub Note : 3)	0.98	0.98
Uttar Guj.	-	2.58
<b>TOTAL ₹ :</b>	<b>357.93</b>	<b>374.87</b>

**Sub Note: 1**

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

**Sub Note : 2**

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

**Sub Note: 3**

Prepaid expenses includes Prepaid Insurance, Membership, Internet etc.

**12 Equity Share Capital:**

Amount In ₹ (Lakhs)

Particulars	As At 31-Mar-2023	As At 31-Mar-2022
<b>Authorized :</b>		
Equity shares 20,000,000 of ₹10 Each	2,000	2,000
<b>Issued, Subscribed and Paid up :</b>		
Equity shares 17,057,400 of ₹10 Each	1,642	1,642
<b>TOTAL ₹ :</b>	<b>1,642</b>	<b>1,642</b>

**12.1 Shareholding Of Promoters:**

Shares held by promoter % Change during the year s at the end of the year				% Change during the year
Sr. No.	Promoter Name	No. of Shares	% of Total Shares	
1	Jayeshkumar Ashmal Mehta	26,27,250	15.40	-
2	Satish Kumar Asamal Mehta	23,67,825	13.88	-
3	Asamal Siremal Mehta	22,00,425	12.90	-
4	Mehta Ugamben Asamal	15,60,900	9.15	-
5	Mehta Aashmalji Siremalji Huf	8,23,500	4.83	-
6	Sangita S Mehta	4,94,250	2.90	-
7	Rekha J Mehta	4,30,500	2.52	-
8	Satish A Mehta Huf	3,28,500	1.93	-
9	Jayesh Ashmalji Mehta Huf	3,10,500	1.82	-
10	Mehta Harish Aashmalji	1,92,000	1.13	-
11	Rameshbhai Asamal Mehta	1,53,000	0.90	-
12	Rinika Harishkumar Mehta	1,18,500	0.69	-

**12.2 The Details of Shareholder holding more than 5% Shares**

Name Of Shareholder	As At 31-Mar-2023		As At 31-03-2022	
	No. Of Shares	% Held	No. Of Shares	% Held
Asamalji S. Mehta	22,00,425	13.40	22,00,425	13.40
Ashok Devji Parmar	-	-	-	-
Jayesh A. Mehta	26,27,250	16.00	26,27,250	16.00
Satish A. Mehta	23,67,825	14.42	23,67,825	14.42
Ugamdevi A. Mehta	15,60,900	9.50	15,60,900	9.50
	<b>87,56,400</b>	<b>53.31</b>	<b>87,56,400</b>	<b>53.31</b>

**12.3 The Reconciliation of No. of shares outstanding is set out below:**

Name Of Shareholder	As At 31-Mar-2023		As At 31-03-2022	
	No. of shares	Amount In (Lakhs)	No. of shares	Amount In (Lakhs)
Equity Shares at the beginning of the year	1,64,23,900	16,42,39,000	1,07,38,100	10,73,81,000
Add: Bonus Issue	-	-	56,85,800	5,68,58,000
<b>Equity Shares at the end of the year</b>	<b>1,64,23,900</b>	<b>16,42,39,000</b>	<b>1,64,23,900</b>	<b>16,42,39,000</b>

**12.4 Rights, Preferences and restrictions attached to shares****Equity Share**

The company has one class of equity share having a par value of Rs 10 each. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of directors is subject to the approval of shareholders in the ensuing Annual general meeting, except in case of interim dividend. In the case of liquidation, the equity shareholders are eligible to receive the remaining assets of the company after distribution of all preferential amounts, in proportion to their shareholding.

**13 Other Equity:**

Amount In ₹ (Lakhs)

Particulars	As At 31-Mar-2023	As At 31-Mar-2022
<b>Profit &amp; Loss A/c</b>		
Opening Balance	745.40	693.91
Add: Profit for the year	54.99	51.49
Less: Utilized towards issue of Bonus Shares	-	-
<b>Closing Balance</b>	<b>800.39</b>	<b>745.40</b>
<b>Other Comprehensive Income</b>		
Opening Balance	4.17	1.02
Add: Profit for the year	1.63	3.15
<b>Closing Balance</b>	<b>5.80</b>	<b>4.17</b>
<b>Capital Reserve</b>		
Opening Balance	29.79	29.79
Add: Profit for the year	-	-
<b>Closing Balance</b>	<b>29.79</b>	<b>29.79</b>
<b>Share Premium Account</b>		
Opening Balance	209.45	209.45
Add: Addition/(deletion)	-	-
<b>Closing Balance</b>	<b>209.45</b>	<b>209.45</b>
<b>TOTAL ₹ :</b>	<b>1,045.43</b>	<b>988.81</b>

**Retained Earnings:** Retained earnings are the profits that the Company has earned till date less any transfers to general reserve, dividends, utilisations or other distributions paid to shareholders.

**Other Comprehensive Income:** The fair value change of the investments measured at fair value through other comprehensive income recognised through Other Comprehensive Income. Upon derecognition the cumulative fair value changes on the said investments except equity investments are reclassified to the Statement of Profit and Loss. Accumulated gain or loss on employee benefits also recognised through other comprehensive income.

**Securities Premium:** The amount received in excess of face value of the equity shares is recognised in Securities Premium.

**14 Borrowings:**

Amount In ₹ (Lakhs)

Particulars	As At 31-Mar-2023	As At 31-Mar-2022
<b>Secured Borrowing:</b>		
Emergency Credit Line Guarantee Scheme (Sub Note -1)	114.79	244.71
<b>Unsecured Borrowing:</b>		
Loans and Advances from Related Party	0.21	0.01
<b>TOTAL ₹ :</b>	<b>115.00</b>	<b>244.72</b>

**Sub Note 1 :**

- Outstanding loan is given by Axis Bank based on the guidelines issued by the government of India for emergency credit line to the industries.
- Extension of charge / security interest in relation to all assets (Both Primary & Collateral) And Personal/ Corporate Guarantee of promoter / property owner at the rate of 9.25% p.a.

**15 Provisions:**

Amount In ₹ (Lakhs)

Particulars	As At 31-Mar-2023	As At 31-Mar-2022
Provision for Employee Benefit	13.90	13.10
<b>TOTAL ₹ :</b>	<b>13.90</b>	<b>13.10</b>

**16 Deferred Tax Liabilities**

Amount In ₹ (Lakhs)

Particulars	As At 31-Mar-2023	As At 31-Mar-2022
<b>Deferred Tax Liabilities</b>		
DTL on Difference between written down value of property, plant and equipment and capital work-in-progress as per books of accounts and income tax	53.72	62.53
DTL on Expenses claimed for tax purpose on payment basis	(3.85)	-
DTL on Other assets	-	-
<b>TOTAL ₹ :</b>	<b>49.87</b>	<b>62.53</b>

**17 Financial Liabilities - Borrowings:**

Amount In ₹ (Lakhs)

Particulars	As At 31-Mar-2023	As At 31-Mar-2022
<b>Loans Repayable on Demand - From Banks</b>		
Working Capital Loans - Secured	437.13	1,058.24
<b>Current Maturities of Long Term Debts</b>	64.99	-
<b>TOTAL ₹ :</b>	<b>502.12</b>	<b>1,058.24</b>

**Sub Note :**

- AXIS Bank C.C. outstanding as on March 31, 2023 is secured against Hypothecation of all current assets of the company (present and future), Plant & Machinery, Furniture and Fixtures, office equipment and other class of movable assets except vehicles financed by other banks.
- Collateral Security by Equitable mortgage of:
  - Factory Land & Building situated at block no. 2070, Village -Santej, Taluka Kalol, District-Gandhinagar.
  - Industrial Land and Building Plot No.31/5, Saptrishi Estate, Near Sabri Hotel, Odhav Ring Road Circle, Odhav.
  - Industrial Shed No.2, Hari Om Estate, Near Comet Estate, Keval Kanta Road, Rakhial, Ahmedabad owned by M/s. Sagardeep Alloys Limited
- Interest rate on C.C. is 9.25% and directors have given their personal guarantee for the same."

**18 Financial Liabilities - Trade Payables :**

Amount In ₹ (Lakhs)

Particulars	As At 31-Mar-2023	As At 31-Mar-2022
Creditors for Goods	73.49	339.58
<b>TOTAL ₹ :</b>	<b>73.49</b>	<b>339.58</b>

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
(i) MSME	-	-	-	-	-
(ii) Others	73.49	-	-	-	73.49
(iii) Disputed dues-MSME	-	-	-	-	-
(iv) Disputed dues-Others	-	-	-	-	-

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
(i) MSME	-	-	-	-	-
(ii) Others	301.43	38.15	-	-	339.58
(iii) Disputed dues-MSME	-	-	-	-	-
(iv) Disputed dues-Others	-	-	-	-	-

**Sub Note: 1**

Trade Payable as on March 31, 2023 is taken as certified by management. No security have been given for the same.

**Sub Note: 2**

Disclosure of payable to vendors as defined under the "Micro, Small and Medium Enterprise Development Act, 2006" is based on the information available with the Company regarding the status of registration of such vendors under the said Act, as per the intimation received from them on requests made by the Company. There are no overdue principal amounts / interest payable amounts for delayed payments to such vendors at the Balance Sheet date. There are no delays in payment made to such suppliers during the year or for any earlier years and accordingly there is no interest paid or outstanding interest in this regard in respect of payment made during the year or on balance brought forward from previous year.

**19 Other Current Liabilities:**

Amount In ₹ (Lakhs)

Particulars	As At 31-Mar-2023	As At 31-Mar-2022
Other Payables (Refer Sub Note: 1)	47.82	38.97
<b>TOTAL ₹ :</b>	<b>47.82</b>	<b>38.97</b>

**Sub Note : 1**

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

**20 Current Liabilities - Provisions:**

Amount In ₹ (Lakhs)

Particulars	As At 31-Mar-2023	As At 31-Mar-2022
Payable to Government	22.94	52.25
Provision for Employees	1.18	0.95
Payable to Others	0.12	4.44
<b>TOTAL ₹ :</b>	<b>24.24</b>	<b>57.64</b>



**21 Revenue From Operations:**

Amount In ₹ (Lakhs)

Particulars	For the FY 2022-23	For the FY 2021-22
Revenue from Sale of Products	10,239.19	10,641.42
Revenue from Chanasma Sales	-	24.00
Revenue from Job Work	34.34	18.28
Packing and Forwarding	13.28	13.25
	<b>10,286.81</b>	<b>10,696.95</b>
Less: GST on Sales	1,578.97	1,629.10
<b>TOTAL ₹ :</b>	<b>8,707.84</b>	<b>9,067.85</b>

**22 Other Income:**

Amount In ₹ (Lakhs)

Particulars	For the FY 2022-23	For the FY 2021-22
Interest Income	36.97	5.71
Foreign Exchange Gain	0.98	0.99
Rent Income	21.04	21.03
Prior Period Income	-	1.02
Rate Difference	-	-
Sundry Balances Written off	-	-
Other income	-	-
<b>TOTAL ₹ :</b>	<b>58.99</b>	<b>28.75</b>

**23 Cost of Materials Consumed:**

Amount In ₹ (Lakhs)

Particulars	For the FY 2022-23	For the FY 2021-22
Opening Stock	529.48	667.10
Add: Purchases	7,646.66	7,682.53
Add: Labour Purchase	3.11	6.11
	<b>8,179.25</b>	<b>8,355.74</b>
Less : Closing Stock	439.49	529.48
<b>TOTAL ₹ :</b>	<b>7,739.76</b>	<b>7,826.24</b>

**24 Purchase Of Stock In Trade:**

Amount In ₹ (Lakhs)

Particulars	For the FY 2022-23	For the FY 2021-22
Purchases of goods	252.31	529.01
<b>TOTAL ₹ :</b>	<b>252.31</b>	<b>529.01</b>

**25 Changes In Inventories:**

Amount In ₹ (Lakhs)

Particulars	For the FY 2022-23	For the FY 2021-22
<b>At the end of the year:</b>		
Finished Goods	134.26	161.75
Work-In-Progress	19.76	23.81
Traded Goods	0.53	0.64
	<b>154.55</b>	<b>186.20</b>
<b>At the beginning of the year:</b>		
Finished Goods	161.75	183.11
Work-In-Progress	23.81	19.63
Traded Goods	0.64	0.70
	<b>186.20</b>	<b>203.44</b>
<b>(Increase)/Decrease in Inventories</b>		
Finished Goods	27.49	21.36
Work-In-Progress	4.05	(4.18)
Traded Goods	0.11	0.06
<b>TOTAL ₹ :</b>	<b>31.65</b>	<b>17.24</b>

**26 Employee Benefit Expense:**

Amount In ₹ (Lakhs)

Particulars	For the FY 2022-23	For the FY 2021-22
Bonus Expenses	6.17	6.47
Director's Remuneration	18.00	18.00
Gratuity Expenses	2.37	2.50
Contribution to Provident Fund and other Funds	0.29	0.71
Salary & Wages Expenses	32.17	47.83
Staff Welfare Expenses	4.61	3.67
<b>TOTAL ₹ :</b>	<b>63.61</b>	<b>79.18</b>

**27 Finance Cost:**

Amount In ₹ (Lakhs)

Particulars	For the FY 2022-23	For the FY 2021-22
Interest on Short-Term Loans from Banks	26.57	70.93
Interest on Gst and Vat	-	3.16
Interest on Long-Term Loans from Banks	17.28	17.09
Loan Processing Fees	12.00	14.02
Other Borrowing Costs	0.06	0.27
<b>TOTAL ₹ :</b>	<b>55.91</b>	<b>105.47</b>

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

**28 Other Expenses:**

Amount In ₹ (Lakhs)

Particulars	For the FY 2022-23	For the FY 2021-22
<b>A) Manufacturing Expenses</b>		
Other Manufacturing Expenses	23.40	25.03
Labour Charges	74.70	65.75
Power , Fuel & Utilities Expenses	206.29	175.32
Repairs & Maintenance Expenses	18.75	17.65
Stores , Spares & Packing Material Consumed	3.68	1.86
	<b>326.82</b>	<b>285.61</b>
<b>B) Administrative , Selling &amp; Other Expenses</b>		
Commission Expense	-	0.01
Freight Expenses	18.97	17.73
Indirect Duty Expenses	1.19	0.61
Insurance Expenses	1.21	1.62
Legal & Professional Fees	9.48	10.81
Loss on Sale Of Asset	71.68	12.48
Misc Expense	0.96	0.40
Income Tax Expense	0.18	-
Office Expenses	2.40	2.24
Postage , Telephone & Computer Expenses	2.09	1.24
Prior Period Expense	-	-
Rates And Taxes Expenses	8.82	-
Rent Expense	-	-
Security Expenses	2.61	2.79
Selling & Distribution Expenses	0.81	1.62
Stationery & Printing Expenses	0.41	0.23
Sundry Balances Written Off	23.05	38.66
Statutory Audit Fees	2.27	2.39
Penalty/interest Expenses	0.02	0.63
	<b>146.14</b>	<b>93.46</b>
<b>TOTAL ₹ :</b>	<b>473.13</b>	<b>379.07</b>

**29 Earning Per Share :**

Amount In ₹

Particulars	For the FY 2022-23	For the FY 2021-22
Basic Earning Per Share	0.32	0.30
Diluted Earning Per Share	0.32	0.30
Nominal Value Per Share	₹ 10.00	₹ 10.00

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

Amount In ₹ (Lakhs)

Particulars	For the FY 2022-23	For the FY 2021-22
Profit / (Loss) after taxation	54.99	51.49
Net Profit / (Loss) attributable to Equity Shareholders	54.99	51.49
Weighted Average Number of shares outstanding during the year	1,70,57,400	1,70,57,400

**30 Capital Commitments and Contingent Liabilities:****A. Contingent Liabilities:**

Amount In ₹ (Lakhs)

Particulars	As At 31-Mar-2023
Disputed Income Tax Demand under the Income Tax Act	333.55

It is not practicable for the Company (Sagardeep Alloys Limited) to estimate the timings of cash outflows, if any, in respect of the above, pending resolution of the respective proceedings as it is determinable only on receipt of judgments/decisions pending with various forums/ authorities.

The Company (Sagardeep Alloys Limited) has reviewed all its pending litigations and proceedings and has adequately provided for where provisions are required and disclosed as contingent liabilities where applicable, in its financial statements. The Company does not expect the outcome of these proceedings to have a materially adverse effect on its financial results.

In CIT Appeal the decision is in favour of the company, however Income tax Department appealed in tribunal. So company is recognised as contingent liabilities.

**B. Commitments:**

Estimated amount of contracts remaining to be executed on capital account and not provided for net of advances, ₹ 0.50 Lakhs (previous year ₹ NIL Lakhs).

**31 Financial and Derivative Instruments****Capital Management**

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

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

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

Amount In ₹ (Lakhs)

Particular	As At 31-Mar-2023	As At 31-Mar-2022
Equity Share Capital	1,642.39	1,642.39
Other Equity	1,045.43	988.81
<b>Total Equity</b>	<b>2,687.82</b>	<b>2,631.20</b>
Interest-bearing loans and borrowings	617.12	1,302.96
Less: Cash & Cash Equivalent	5.73	502.51
Less: Bank balances other than above	16.85	16.15
<b>Net Debt</b>	<b>594.54</b>	<b>784.31</b>
Gearing Ratio	22.12%	29.81%

**Disclosures**

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

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

**1) Categories of Financial Instruments**

Amount In ₹ (Lakhs)

Particular	As At 31-Mar-2023	As At 31-Mar-2022
<b>Financial Assets</b>		
<b>Measured at Amortised Cost</b>		
1) Trade Receivables	888.41	1,143.76
2) Cash & Cash Equivalents	22.58	518.66
3) Loans	49.32	145.24
<b>Financial Liabilities</b>		
<b>Measured at Amortised Cost</b>		
1) Borrowings	617.12	1,302.96
2) Trade Payables	73.49	339.58
3) Other Financial Liabilities	47.82	38.97

**2) Fair Value Measurement :**

This note provides information about how the Company determines fair values of various financial assets. Fair Value of financial assets and liabilities that are not measured at fair value (but fair value disclosures are required). Management considers that the carrying amounts of financial assets and financial liabilities recognized in the financial statements approximate their fair values.

**3) Financial Risk Management Objectives**

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

**Market Risk**

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises two types of risk: interest rate, currency risk and other price risk, such as commodity price risk and equity price risk. Financial instruments affected by market risk include FVTPL investments, trade payables, trade receivables, etc."

**Liquidity Risk**

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

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

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

Amount In ₹ (Lakhs)

Particulars	Due in 1 Year	Due after 1 Year	Total
<b>As at 31st March, 2023</b>			
Borrowings	617.12	-	617.12
Trade Payables	73.49	-	73.49
Other Financial Liabilities	47.82	-	47.82
<b>Total</b>	<b>738.43</b>	<b>-</b>	<b>738.43</b>
<b>As at 31st March 2022</b>			
Borrowings	1,302.96	-	1,302.96
Trade Payables	339.58	-	339.58
Other Financial Liabilities	38.97	-	38.97
<b>Total</b>	<b>1,681.51</b>	<b>-</b>	<b>1,681.51</b>

**Trade Receivables**

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

Amount In ₹ (Lakhs)

Particulars	Due in 1 Year	1 year - 3 years	More than 3 Years
<b>As at 31st March, 2023</b>			
1) Trade Receivables	888.41	-	-
2) Cash & Cash Equivalents	5.73	16.85	-
3) Loans	-	-	-
<b>Total</b>	<b>894.14</b>	<b>16.85</b>	<b>-</b>
<b>As at 31st March 2022</b>			
1) Trade Receivables	1,143.76	25.00	113.36
2) Cash & Cash Equivalents	502.51	16.15	-
3) Loans	-	145.24	-
<b>Total</b>	<b>1,646.27</b>	<b>186.39</b>	<b>113.36</b>

**32 Related Party Disclosures:****32.1 Related Parties & their Relationship**

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

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

Sr. No.	Name of Related Parties	Relationship
(i)	Satish Asamal Mehta	Managing Director
(ii)	Jayesh Asamal Mehta	Director
(iii)	Satish A. Mehta HUF	HUF Of Managing Director
(iv)	Vismay Shah	Key Managerial Person
(v)	Ami Doshi	Key Managerial Person
(vi)	Anuja Jain	Key Managerial Person

**35.2 Transactions with Related Parties**

Amount In ₹ (Lakhs)

Particulars	Nature of Transaction	For the FY 2022-23	For the FY 2021-22
Satish Mehta	Salary	9.00	9.00
	Other Payables	1.06	1.06
Jayesh Mehta	Salary	9.00	9.00
Jayesh Mehta	Borrowings	-	-
	Repayment	12.70	12.70
Satish A. Mehta HUF	Borrowings	1.25	1.25
	Repayment	1.25	1.25
Vismay Shah	Salary	-	-
Ami Doshi	Salary	0.90	0.90
Anuja Jain	Salary	1.25	1.25

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

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

36 Previous year's figures have been regrouped and rearranged wherever necessary.

### 37 Segment Reporting

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

### 38 Tax Reconciliation

Amount In ₹ (Lakhs)

Income Tax Recognised in statement of Profit and Loss	As At 31-Mar-2023	As At 31-Mar-2022
<b>Current tax</b>		
In Respect of the Current year	38.23	14.87
Short/Excess Provision of Earlier years	(3.24)	-
Deferred Tax (Credit)/Charged	(12.66)	15.04
<b>Total Income tax expense recognised in respect of continuing Operations</b>	<b>22.33</b>	<b>29.91</b>

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

Amount In ₹ (Lakhs)

Income Tax Recognised in statement of Profit and Loss	As At 31-Mar-2023	As At 31-Mar-2022
Profit Before Taxes	77.32	81.40
Enacted Tax Rate in India	26%	26%
Expected income tax benefit/(expense) at statutory tax rate	38.23	14.87
<b>Effect of:</b>		
Deferred tax(credit) /Charged	(12.66)	15.04
<b>Income taxes recognised in the Statement of Profit and Loss</b>	<b>25.57</b>	<b>29.91</b>

The Tax Rate used for the 2021-2022 reconciliation above is the corporate tax rate of 25% plus Cess @4% payable by corporate entities in India on taxable Profits under the Indian tax laws.

### 39 Components of Deferred tax assets and Liabilities

Amount In ₹ (Lakhs)

Income Tax Recognised in statement of Profit and Loss	As At 31-Mar-2023	As At 31-Mar-2022
<b>A) Deferred tax Liabilities</b>		
Difference between book and tax depreciation	53.72	62.53
<b>B) Deferred tax Liabilities</b>		
Difference between book and tax depreciation."	-	-
<b>C) Deferred Tax Liabilities/(Assets) on expenses claimed on payment basis</b>	<b>(3.85)</b>	<b>-</b>

### 40 Payment to Auditor :-

Amount In ₹ (Lakhs)

Particulars	For the FY 2022-23	For the FY 2021-22
Audit Fees	2.15	2.15

The above mention amount is excluding GST.

41 The outbreak of COVID-19 pandemic globally and in India is causing significant disturbance and slow down of economic activity, COVID 19 has caused interruption in production, supply chain disruption, unavailability of personnel, etc. during last week of March, 2020 and thereafter. The management of the Company has exercised due care in concluding significant accounting judgments and estimates in preparation of the financial results. In assessing the recoverability of Trade receivables, the Company has considered subsequent recoveries, past trends, credit risk profiles of the customers and internal and external information available up to the date of issuance of these financial results. In assessing the recoverability of inventories, the Company has considered the latest selling prices, customer orders on hand and margins. Based on the above assessment, the Company is of the view that the carrying amounts of Trade receivables and inventories are expected to be realisable to the extent shown in the financial results. The impact of COVID-19 may be different from the estimates as at the date of approval of these financial results and the Company will continue to closely monitor the development.

**32 Corporate Social Responsibility:**

Sr. No.	Particulars	Amount In ₹ Lakhs
1	Amount required to be spent by the company during the year	-
2	Amount of expenditure incurred	-
3	Shortfall at the end of the year	-
4	Total of previous years shortfall	-
5	Reason for shortfall	-
6	Nature of CSR activities	-
7	Details of related party transactions (In relation to CSR)	-

**43 Benami Transactions:**

There is no proceedings has been initiated or pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.

**44 Wilful Defaulter**

The Company has not been declared wilful defaulter by any bank or financial institutions or other lender.

**45 Transactions with Struck off Companies**

As stated & Confirmed by the Board of Directors ,The Company has not under taken any transactions nor has outstanding balance with the Company Struck Off either under section 248 of the Act or under Section 560 of Companies act 1956."

**46 Satisfaction of Charge/Creation of Charge**

There is no charges or satisfaction yet to be registered with ROC beyond the statutory period.

**47 Number of Layers of Subsidiary**

The Company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with the Companies (Restriction on number of layers) Rules, 2017.

**48 Undisclosed Transactions**

As stated & confirmed by the Board of Directors, The Company does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.

**49 Loan or Investment to Ultimate Beneficiaries**

As stated & Confirmed by the Board of Directors, The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

- (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or
- (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries

**50 Loan or Investment from Ultimate Beneficiaries**

As stated & Confirmed by the Board of Directors ,The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

- (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
- (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries

**51 Utilization of Term Loans**

The Company has applied term loans for the purpose for which the same was obtained during the year."

**52 Working Capital**

The Company has been sanctioned working capital limits from a bank on the basis of security of the current assets. Quarterly returns or statements filed by the Company with such bank are not in agreement with the books of accounts.



**53 Crypto Currency**

The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year."

**54. Ratio Analysis**

Particulars	Numerator/Denominator	As At 31-Mar-2023	As At 31-Mar-2022	Change in %
(a) Current Ratio	Current Assets	2.94	1.87	57.43%
	Current Liabilities			
(b) Debt-Equity Ratio	Debts	0.23	0.50	-53.64%
	Equity			
(c) Debt Service Coverage Ratio	Earning available for Debt Service	-	-	0.00%
	Interest + Instalments			
(d) Return on Equity Ratio	Profit after Tax	0.02	0.02	4.55%
	Net Worth			
(e) Inventory turnover ratio	Total Turnover	6.82	7.89	-13.56%
	Average Inventories			
(f) Trade Receivables turnover ratio	Total Turnover	8.63	9.31	-7.29%
	Average Account Receivable			
(g) Trade payables turnover ratio	Total Turnover	42.45	22.83	85.93%
	Average Account Payable			
(h) Net capital turnover ratio	Total Turnover	6.99	7.03	-0.62%
	Net Working Capital			
(i) Net profit ratio	Net Profit	0.01	0.01	10.82%
	Total Turnover			
(j) Return on Capital employed	Net Profit	0.02	0.02	9.59%
	Capital Employed			
(k) Return on investment	Net Profit	0.02	0.02	4.55%
	Total Investment			

As per our report of even date

**For Piyush J. Shah & Co.**

Chartered Accountants

FRN :- 121172W

**Piyush J. Shah**

Partner

M. No.:- 108670

UDIN :-

Place :- Ahmedabad

Date :- 24 May, 2023

**For and on behalf of the Board of Directors**

**Satish A. Mehta**

Director

DIN :- 01958984

**Jayesh A. Mehta**

Director/CFO

DIN :- 02156140

**Anuja Jain**

Company Secretary

## **Sagardeep Alloys Limited**

### **Regd Office:**

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