

2018-19

annual report



METROGlobal Limited

(CIN No: L21010MH1992PLC069527)

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METROGlobal Limited

CHAIRMAN'S MESSAGE

STEADY AND READY

In a phase when changes are taking place at rapid speed with varying fluctuations and disruptions a company has to always first stabilize and consolidate and also have a long term vision and perspective to fulfil its responsibility towards stakeholders and society.

It is a complex task often that demands great team spirit and belief in the value of the company's role and contribution.

Your company is fortunate to be led and guided by such a group of dedicated guardians who fulfil their responsibility with enormous wisdom.

NATIONAL AND GLOBAL SCENARIO

The year gone by has been one of transition at the national and international levels with several actions and reactions taking place creating significant impact in various sectors. The effects of the change appear positive and inspire expectations for better scenarios in coming times.

The economic scenario appears to be a mixed bag of contradictory signals.

increased per capita income, decline in the national inflation, steady interest rates, and decline in the price of crude oil and weaker consumer sentiment in the second half of the financial year enabled India to retain its position as the world's fastest growing economy and the sixth largest economy (eleventh in 2013-14).

After growing at 6.7% in 2017-18, the Indian economy is expected to report a growth of 7% in 2018-19 (as per the second estimates of CSO).

The World Bank projected India's economic growth to accelerate to 7.5% in 2019-20. Package for public sector banks announced by the Government of India is expected to resolve banking sector Balance Sheets, enhance credit availability and spur national investment.

However there are also challenges that seem to be emerging including recently mentioned lower industrial growth, reduced consumer demand in some segments, dynamic markets, adjustment to new regulatory systems, fluctuating global sentiment, fluid political environment and other factors that could modify the calculations of organizations and lead them to revise strategy and efforts.

It is a delicate balance that your company will strive to achieve by critically reviewing performance with flexible plans to maintain its sound and healthy progress.

COMPANY PERFORMANCE

The revenue from operations of the company from the various segment was **Rs 33,554** lacs for the year 2018-19 as against the turnover of Rs. 33,875 lacs during the year 2017-18.

Your Company earned net profit (including Comprehensive Income) as per Ind AS-19 of **Rs. 1,357 lacs** during the year **2018-19** as against the net profit (Including Comprehensive Income) as per Ind AS-19 of Rs.1,780 lacs during the year 2017-18.

Your Company's performance has maintained steady growth during 2018-19 due to implementation of GST & RERA in real estate sector. Even so management of the company is making sincere efforts for better performance in coming years through more innovative strategies and increased productivity.

BIGGEST ASSETS

Behind this positive story is the spirit and energies of the Metroglobal team which endeavours to contribute beyond the call of duty. I express my gratitude for what they have accomplished.

The tremendous support in all forms by the Board remains the backbone of overcoming hurdles and making progress even in difficult circumstances.

Your company Board has not only been the steady star of guidance but also the shining light of confidence for the team and I thankfully acknowledge the value of their inputs. Associated stakeholders added their own value in the process and progress. It is the continuous and strong support that has inspired the MetroGlobal team to strive harder and raise its performance levels.

30th May, 2019



Gautam M. Jain



METROGlobal Limited

(CIN No: L21010MH1992PLC069527)

BOARD OF DIRECTORS

- : **Mr. Gautam M. Jain (DIN No: 00160167)**
Chairman & Managing Director
Mr. Rahul G. Jain (DIN No:01813781)
Executive Director
Mr. Sandeep S. Bhandari (DIN No: 01379445)
Independent Director
Mr. Nilesh R. Desai (DIN No: 00414747)
Independent Director
Mr. Prashant M. Kheskani (DIN No: 02589654)
Additional Independent Director
(Appointed w.e.f. 10-11-2018)
Mrs. Krati R. Jain (DIN No: 7150442)
Woman Director

COMPANY SECRETARY & CFO

- : **Mr. Nitin S. Shah (M. No. 7088)**

AUDITORS

- : **M/s AMPAC & Associates,**
Chartered Accountants,
Mumbai

BANKERS

- : **State Bank of India** **Kotak Mahindra Bank**
HDFC Bank **Deutsche Bank**

REGISTERED OFFICE

- : 101, 1st Floor, "Mangal Disha",
Near Guru Gangeshwar Temple, 6th Road,
Khar (West), Mumbai-400052, Maharashtra, (India)

CORPORATE OFFICE

- : 5th Floor, 508-509, "SHILP " Building,
Opp: Girish Cold Drinks, C.G.Road, Navrangpura,
Ahmedabad-380009

SHARE TRANSFER REGISTRAR

- : **Sharex Dynamic (India) Pvt.Ltd.**
Unit : MetroGlobal Limited
(CIN No: 21010MH1992PLC069527)
C-101, 247 Park, LBS Marg,
Vikhroli West, Mumbai-400083

ATTENTION OF PHYSICAL SHAREHOLDERS UPDATION OF PAN & BANK DETAILS

SEBI vide its circular dated April 20, and July 16, 2018 has advised that the Company is required to update the PAN & Bank Details of the physical shareholders in its records.

All of the shareholders holding physical shares are requested to submit the following documents immediately to Registrar & share transfer agent M/s Sharex Dynamic (India) Pvt Limited, Mumbai at the above mentioned address to update their records:

1. Enclosed format duly filled in and signed by all the Shareholders. Page No:119
2. Self-attested copy of PAN Card of all the Shareholders.
3. Cancelled Cheque with shareholder name printed on it. (if shareholder's name is not printed on cheque, please provide bank attested copy of the first page of pass book showing name of the shareholder as first account holder).
4. Address proof (self-attested copy of Aadhaar-card/Electricity bill/Telephone bill/Passport) of the first shareholder.

NOTICE

NOTICE is hereby given that the **Twenty Seventh Annual General Meeting** of the Shareholders of the MetroGlobal Limited will be held on Monday, **30th September, 2019** at 4.30 p.m. at Conference Hall of The Oriental Residency, Next to Khar Telephone Exchange, P.D. Hinduja Marg, Khar (West), Mumbai-400052 to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2019 and Statement of Profit and loss account for the financial year ended on 31st March, 2019 together with the reports of the Board of Directors and the Auditors thereon.
2. To ratify appointment of M/s AMPAC & Associates, Chartered Accountants as Statutory Auditors of the Company. and to fix their remuneration

“RESOLVED THAT pursuant to the provisions of Section 139 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit And Auditors) Rules, 2014 (including any statutory modification(s) or re-enactments thereof for the time being in force) the Company hereby appoint M/s. AMPAC & Associates, Chartered Accountants, Mumbai (holding Registration No: FRN112236W) (Membership No:0444062), as Statutory Auditors of the Company to hold office from the conclusion of this meeting until the conclusion of the next Annual General Meeting subject to ratification of their appointment at every Annual General Meeting, on such remuneration as may be decided by the Audit Committee/ Board of Directors of the Company.”

SPECIAL BUSINESS:

3. Reclassification of Promoters of the Company as Public Shareholders.

To consider and approve reclassification of Promoters of the Company and in this regard to consider and fit to pass, with or without modification(s), the following resolution as a **Special Resolution**.

“RESOLVED THAT pursuant to provisions of Regulation 31A (2) read with Regulation 31A (7) of the Securities and Exchange Board of India (Listing Obligations and Disclosures Requirements) Regulations, 2015 (Including any amendments made thereto) (hereinafter referred to as “Listing Regulations”) or any other applicable provisions of Listing Regulations and other applicable laws, consent of the members of the company be and is hereby given to reclassify the following person from “Promoter Category” to Public Category” since the person is neither involved in the management nor holding any controlling stake in the Company. None of the aforesaid person has entered into any Shareholders Agreement with the Company and they have not got any Veto Rights or Special Information Rights or Special Rights as to Voting power or Control of the Company:

| Sr No | Name of the Entity/Company | No. of Equity Shares Held | % of the total Equity Capital |
|-------|----------------------------|---------------------------|-------------------------------|
| 1 | Ritu G. Jain | 64,000 | 0.52% |

“RESOLVED FURTHER THAT it is hereby confirmed that

- i. the aforesaid person do not hold more than 10% of the paid-up Capital of the Company.
- ii. the shareholding of the aforesaid Promoter / Promoter Group is only upto 0.52% of the equity share capital of the Company.
- iii. the aforesaid persons has not and will continue to not exercise direct or indirect control over the Company.
- iv. No director of the above said person has been or would be appointed as key managerial personnel of the Company.
- v. No special right were even held and would not be ever held by the above reclassified above said person / entity/Company.

“RESOLVED FURTHER THAT for the purpose of giving effect to the above resolution, the Board or the officers authorised by the Board in this regard be and are hereby authorized to do all such acts, deeds, matters and things as may be necessary or expedient and to settle any questions, difficulties or doubts that may arise in this regard without requiring the Board to secure any further consent or approval of the members of the Company.”

4. To consider, and if thought fit, to pass the following Resolution as an **ORDINARY RESOLUTION**:

“RESOLVED THAT pursuant to the provisions of Sections 149 and 152 and other applicable provisions of the Companies Act, 2013 (‘the Act’) and the Rules made there under read with Schedule IV of the Act and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Mr. Nilesh R. Desai (holding DIN 00414747), who satisfies the criteria of independence as specified in the Act and the Rules made there under and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and in respect of whom the Company has

received notices in writing under Section 160 of the Act from members proposing his candidature for the office of Independent Director, be and is hereby re-appointed as an Independent Director of the Company, not liable to retire by rotation, for a second term of 5 (five) consecutive years commencing 1st October, 2019 to 30th September, 2024.

5. To consider, and if thought fit, to pass the following Resolution as an **ORDINARY RESOLUTION:**

“RESOLVED THAT pursuant to the provisions of Sections 149 and 152 and other applicable provisions of the Companies Act, 2013 (‘the Act’) and the Rules made there under read with Schedule IV of the Act and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Mr. Sandeep S.Bhandari (holding DIN 1379445), who satisfies the criteria of independence as specified in the Act and the Rules made there under and SEBI (Listing Obligations and Disclosure Requirements) Regulations,2015 and in respect of whom the Company has received notices in writing under Section 160 of the Act from members proposing his candidature for the office of Independent Director, be and is hereby re-appointed as an Independent Director of the Company, not liable to retire by rotation, for a second term of 5 (five) consecutive years commencing 1st October, 2019 to 30th September, 2024.

6. To consider, and if thought fit, to pass the following Resolution as an **ORDINARY RESOLUTION:**

“RESOLVED THAT Mr. Prashant M. Kheskani (holding DIN 02589654) who was appointed as an Additional Director of the Company by the Board of Directors with effect from 10th November, 2018, in terms of Section 161(1) of the Companies Act, 2013 and Article 127 of the Articles of Association of the Company and who holds office up to the date of the 27th Annual General Meeting and in respect of whom the Company has received notices in writing from members under Section 160 of the Companies Act, 2013 proposing his candidature for the office of Director, be and is hereby appointed as a Director of the Company.”

7. To consider, and if thought fit, to pass the following Resolution as an **ORDINARY RESOLUTION:**

FOR RELATED PARTY CONTRACTS/TRANSACTIONS APPROVAL IN ANNUAL GENERAL MEETING:

“RESOLVED THAT Pursuant to the provisions of Section 188 and all other applicable provisions if any, of the Companies Act,2013, (the Act) read with the Companies (Meetings of the Board and Its Powers) Rules, 2014 and subject to such approvals, consents, sanctions and permissions as may be necessary, consent of the members of the Company be accorded to the Board of Directors of the Company subject to the approval of members in Annual General Meeting to enter in to contracts and/or agreements with related parties as defined under the Act with respect to sale, purchase or supply of goods or materials, leasing of property of any kind, availing or rendering any kind of services, appointment of agent for sale and purchase of goods, materials, services or property or appointment of such related party to any office or place of profit in the company, or its subsidiary or associate company or any other transactions of whatever nature with related parties with effect from 1st April, 2014 up to the maximum per annum for the year.”

“RESOLVED FURTHER THAT the Board of Directors of the Company, be and is hereby authorized to determine the actual sums to be involved in the proposed transactions and terms and conditions related thereto and call other matters arising out of or incidental to the proposed transactions and generally to do all acts, deeds and things that may be necessary, proper, desirable or expedient and to execute all documents, agreements and writings as may be necessary, proper, desirable or expedient to give effect to the above said resolution subject to the approval of members in 27th Annual General Meeting”.

Registered Office :

101, 1st Floor, "Mangal Disha",
Near Guru Gangeswar Temple,
6th Road, Khar (West),
Mumbai-400052, Maharashtra, (India)
Date : **30th May, 2019**

By the Order of the Board

Sd/-

Nitin S.Shah

Company Secretary

NOTES :

1. A member entitled to attend and vote is entitled to appoint a proxy, or, where that is allowed, one or more proxies, to attend and vote instead of himself, and that a proxy need not be a member.
2. Proxies to be effective must be received by the Company not less than 48 hours before the meeting.
3. Pursuant to provisions of Section 105 of the Companies Act, 2013, read with the applicable rules thereon, a person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights, may appoint a single person as proxy, who shall not act as a proxy for any other member.
4. Corporate members intending to send their authorized representatives to attend the meeting are requested to send to the Company a certified copy of the Board resolution authorizing their representative to attend and vote on their behalf at the meeting.
5. Only bonafide members of the Company whose names appear on the Register of Members/Proxy holders, in possession of valid attendance slips duly filled and signed will be permitted to attend the meeting. The Company reserves its right to take all steps as may be deemed necessary to restrict non-members from attending the meeting.
6. Members are requested to bring their copies of Annual Report to the Meeting. In order to enable us to register your attendance at the venue of the Annual General Meeting, we request you to please bring your folio number/demat account number/DP ID-Client ID to enable us to give you a duly filled attendance slip for your signature and participation at the meeting.
7. In case of joint holders attending the meeting, only such joint holder who is higher in the order of names will be entitled to vote.
8. The Register of Members and Share Transfer Books of the Company will be closed from **23rd September, 2019 to 28th September, 2019** (both days inclusive).
9. Members are requested to note that pursuant to the provisions of Section 125(c) of the Companies Act, 2013, the dividend remaining unclaimed / unpaid for a period of seven years from the date it becomes due for payment shall be credited to the Investor Education and Protection Fund (IEPF) set up by the Central Government. The Company has already transferred the unclaimed / unpaid dividend declared up to 2011 to the said fund. Members who have so far not claimed the dividends declared for any subsequent financial year(s) are requested to make claim with the Company immediately.
10. Pursuant to the provisions of Section 124(6) of the Companies Act, 2013 and the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, as amended from time to time, all equity shares of the Company on which dividend has not been paid or claimed for 7 consecutive years or more shall be transferred by the Company to Investor Education and Protection Fund.
11. The Ministry of Corporate Affairs has taken a "Green Initiative in Corporate Governance" by allowing paperless compliances by the Company and has issued circulars allowing service of notices / documents including annual report by e-mail to its members. To support this green initiative of the government in full measure, members who have not registered their e-mail addresses so far, are requested to register the same in respect of electronic holdings with the depository through their depository participants. Members who are holding shares in physical form are requested to get their e-mail addresses registered with the Registrar and Share Transfer Agent.
12. Route map and prominent land mark for easy location of venue of the AGM is provided in the Annual Report and the same shall also be available on the Company's website www.metrogloballimited.com
13. Corporate members intending to send their authorized representatives to attend the AGM pursuant to Section 113 of the Companies Act, 2013, are requested to send a duly certified copy of the Board Resolution together with their specimen signatures authorizing their representatives to attend and vote at the AGM.
14. Members holding shares in dematerialized form are requested to intimate all changes pertaining to their bank details/ update, E-mail ID/mandates/nominations/power of attorney/change of name/change of address/contact numbers etc. to their Depository Participants (hereinafter referred to as "DP") with whom they are maintaining their demat accounts. Changes intimated to the DP will then be automatically reflected in the Company's records which will help the Company and the Company's Registrar and Share Transfer Agents M/s. Sharex Dynamic (India) Private Ltd. to provide efficient and better services. Members holding shares in physical form are requested to advise such changes to RTA.
15. Members holding shares in physical form are requested to consider converting their holding to dematerialized form as pursuant to SEBI norms, with effect from 1st April, 2019, share transfers cannot be effected in physical form. The transfer deeds once lodged prior to 31st March, 2019 deadline and returned due to deficiency in the document may be re-lodged for transfer even after the deadline of 1st April, 2019.

16. The Notice of the AGM along with the Annual Report 2018-19 is being sent by electronic mode to those Members whose e-mail addresses are registered with the Company/DP, unless any Member has requested for a physical copy of the same. For Members who have not registered their e-mail addresses, physical copies are being sent by the permitted mode.
17. In terms of Section 108 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014, e-voting facility is being provided to the Members. Details of the e-voting process and other relevant details are being sent to all the Members along with the Notice.
1. Please intimate the changes, if any, in your registered address, to the Company's Registrar & Share Transfer Agent. The Registrar & Share Transfer Agent has shifted their office at the following address:-
Sharex Dynamic (India) Pvt. Ltd.
Unit: Metroglobal Limited
C-101, 247 Park, LBS Marg, Vikhroli West, Mumbai-400083
 2. As required under the Listing Agreement with the Stock Exchanges, the particulars of Directors who are proposed to be appointed / re-appointed are as per attached Annexure 1.
 3. Voting through electronic means:-In compliance with the provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies [Management and Administration] Rules, 2014, the Company is providing e-voting facility as an alternative mode of voting which will enable the Members to cast their votes electronically. Necessary arrangements have been made by the Company with Central Depository Services (India) Limited (CDSL) to facilitate e-voting. The detailed process, instructions and manner of e-voting facility is annexed to the Notice.

ANNEXURE 1 TO THE NOTICE

Particulars of Directors seeking appointment/ Re –appointment Pursuant to Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standards – 2 (SS-2)

| | | | |
|---|--|---|---|
| Name of Director & DIN No | Mr.Nilesh R. Desai (Din No:00414747) | Mr.Sandeep S. Bhandari (Din No: 01379445) | Mr.Prashant M. Kheskani (Din No: 02589654) |
| Date of Birth & Age | 06/07/1960 & 59 years | 19/12/1962 & 57 years | 22/01/1984 & 35 years |
| Date of Appointment | 12/11/2011 | 12/11/2011 | 10/11/2018 |
| Qualification Expertise in Specific functional areas | Bachelor of Science (B.SC) Insurance/Finance | Master in Business Administration Finance | Bachelor of Commerce (B.com) & Chartered Accountants Finance |
| List of Companies in which outside directorship held | Metrochem Capital Trust Limited | NIL | NIL |
| Chairman/Member of the Committee of the Board of Directors | Chairman of Nomination & Remuneration Committee Chairman of Stakeholder Relationship Committee Member of Corporate Social Responsibility Committee | Chairman of Audit Committee Member of Nomination & Remuneration Committee. Member of Stakeholder Relationship Committee | Member of Audit Committee Member of Nomination & Remuneration Committee. Member of Stakeholder Relationship Committee |
| Chairman /Member of the Committees of other companies in which he is Director | NIL | NIL | NIL |

Registered Office :

101, 1st Floor,"Mangal Disha",
Near Guru Gangeshwar Temple,
6th Road, Khar (West),
Mumbai-400052, Maharashtra, (India)

Date : 30th May, 2019

By the Order of the Board

Sd/-

Nitin S. Shah

Company Secretary

The instructions for shareholders voting electronically are as under:

- (i) The voting period begins on **27th September, 2019 at 9.00 a.m** and ends on **29th September, 2019 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 (record date) of **23rd September, 2019** may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) The shareholders should log on to the e-voting website www.evotingindia.com.
- (iii) Click on Shareholders.
- (iv) 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.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- (vii) If you are a first time user follow the steps given below:

| For Members holding shares in Demat Form and Physical Form | |
|---|--|
| PAN | Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> · Members who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number which is printed on Postal Ballot / 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). |

- (viii) After entering these details appropriately, click on "SUBMIT" tab.
- (ix) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for the relevant No. 190823087 on which you choose to vote.
- (xii) 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.
- (xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiv) 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.
- (xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- (xvii) 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.
- (xviii) **Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store, Apple and Windows phone. Please follow the instructions as prompted by the mobile app while voting on your mobile.**

(xix) Note for Non – Individual Shareholders and Custodians

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login should be mailed to 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.

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

Explanatory Statement pursuant to Section 102 of the Companies Act,2013
Item No: 3

The Company had received the letter from the following person falling under the category of promoters/promoter Group of the Company requesting to be reclassified from the Category of “Promoters/Promoters Group” to “Public Category”.

| Sr No | Name of the person | No. of Equity Shares Held | % of the total Equity Capital |
|-------|--------------------|---------------------------|-------------------------------|
| 1 | Ritu G.Jain | 64000 | 0.52% |

The aforesaid Promoter/promoter group person is holding very insignificant shareholding which constitutes 0.52% of the total paid up capital of the Company. The aforesaid promoter/ promoter group person do not exercise any control over the Company and is not engaged in the management of the Company. The aforesaid person neither have representation on the Board of Directors of the Company nor hold any key Management position in the Company. The Company also not entered into any Shareholders Agreement with them. Further none of the aforesaid person has got any veto Rights as to voting power or control of the Company. They do not have any Special Information Rights.

The aforesaid person have requested to the Company to reclassify them from being a “Promoter Category” to “ Public Category” Shareholder of the Company.

Based on the letter received from above promoter person, the matter was discussed by the Board of Director at their meeting held on 30th May, 2019 and Board decided to get the above promoter/promoter group person reclassified from the” Promoter Category” to “Public Category” with the approval of stock exchanges

Regulation 31A (2) read with Regulation 31 A (7) of the Securities and Exchange Board of India (Listing Obligations and Disclosures Requirements) Regulations,2015 (Including any amendments made thereto) (hereinafter referred to as Listing Regulations”) is the main regulation which deals with reclassification of promoter shareholding in to public Shareholding. It provides that the Stock exchanges allow reclassification of the status of promoter shareholders only if the following main conditions are satisfied.

- (i) Upon receipt of a request from the concerned listed entity or the concerned Shareholders.
- (ii) Upon receipt of all relevant evidence to be provided.
- (iii) On BSE being satisfied with the Compliance of conditions mentioned in Regulation 31A.

Regulation 31A (7) (any other manner) means with the consent of the person wants to change reclassification.

A reclassification may also be permitted by the stock exchanges under the main Listing Regulation No, 31A (2) itself read with the additional condition specified under the Regulation 31A (7) of Listing Regulation, The sum total of conditions under the two sub regulations are as follows.

- (i) A request for reclassification to be made by the concerned listed entity or by the concerned shareholders/ to stock exchanges.
- (ii) All relevant evidence to be provided.
- (iii) Reclassified promoter shall not directly or indirectly exercise control over the affair of company.
- (iv) Increase in the level of public shareholding pursuant to reclassification of promoters shall not be considered towards achieving compliances with minimum public Shareholding requirement under Rule 19 A of the Securities contracts (Regulation) Rule, 1975 and
- (v) The event of reclassification shall be disclosed to the Stock exchange as a material event in accordance with the provisions of Listing Regulations.

All the conditions Specified under Regulation 31A (2) and 31 A (7) of Listing Regulation have been duly complied with by the Company.

The Company’s case of reclassification of promoter is covered under Regulation 31A (2) of Listing Regulation.

Except Mr. Gautam M. Jain, Chairman & Managing Director, Mr. Rahul G. Jain, Executive Director, none of the Directors, Key Managerial persons of the Company and their relatives is/are concerned or interested in the resolution. The Board therefore commends the Resolution no. 3 for approval of the members as Special Resolution.

Item No: 4 to 5

As per the provisions of Sections 149, 152 and Schedule IV of the Companies Act, 2013 read with the relevant Rules there under, the Company had appointed Mr. Nilesh R. Desai and Mr. Sandeep S. Bhandari as Independent Directors at its 22nd Annual General Meeting held on 30th September, 2014 was appointed as an Independent Director w.e.f. 1st October, 2014. As the above directors shall be completing their first term of appointment upon completion of five

years from the respective dates of their appointment during the current year, they are eligible for re-appointment for another term of five consecutive years subject to approval of the Members by Ordinary Resolution. Further, Mr. Nilesh R. Desai (Date of Birth: 06-07-1960) and Mr. Sandeep S. Bhandari (Date of Birth : 19-12-1962) shall not cross the age of 75 years during their tenure. The continuance of these Directors as Independent Directors requires consent of the members by way of Ordinary Resolution. These Directors are active and keep good health. All the above named two directors have consented to their reappointment and confirmed that they do not suffer from any disqualifications for their re-appointment as Independent Directors.

The performance evaluation of the Independent Directors was conducted by the entire Board of Directors (excluding the Director being evaluated) on the basis of structured parameters. Based on the performance evaluation of the Independent Directors, the Nomination and Remuneration Committee and the Board of Directors of the Company have recommended the re-appointment of the aforesaid persons as Independent Directors for a second term of five consecutive years. During their tenure of appointment, they shall not be liable to retire by rotation as provided under Section 152(6) of the Companies Act, 2013.

The Company has received declarations from all the Independent Directors confirming that they meet the criteria of independence as prescribed under Section 149 of the Act and as per SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. In the opinion of the Board, they fulfil the conditions for re-appointment as Independent Directors and they are independent of the Management. The brief profile of all these Directors is given in the annexure and forms part of this Notice.

The Company has received notices from members under Section 160 of the Companies Act, 2013 proposing their re-appointment as Independent Directors. Copy each of the draft letter of appointment of these Directors as Independent Directors setting out the terms and conditions would be available for inspection without any fee by the members at the Registered Office of the Company during normal business hours on any working day, excluding Saturday. Having regard to the qualifications, knowledge and experience of the Directors, their continuance on the Board of the Company will be in the interest of the Company. Therefore, the Board recommends the Resolutions as set out in Item Nos. 4 to 5 of the Notice for approval of the Members. None of the Directors or Key Managerial Personnel of the Company and their relatives other than the respective Independent Directors are in anyway deemed to be concerned or interested in the Resolutions as set out in Item Nos. 4 to 5 of the Notice.

Item No: 6

Based on the recommendation of the Nomination and Remuneration Committee, Mr. Prashant M. Kheskani, Chartered Accountant was appointed as an Additional Director on the Board of the Company with effect from 10th November, 2018 under Article 102 of the Articles of Association of the Company and Section 161 (1) of the Companies Act, 2013. He will hold office as an Additional Director up to the ensuing Annual General Meeting.

As required under Section 160 of the Companies Act, 2013, notices have been received from Members of the Company signifying his intention to propose Mr. Prashant M. Kheskani as a candidate for the office of the Director of the Company. The brief profile of Mr. Prashant M. Kheskani is given in the annexure and forms part of this Notice.

Having regard to his qualifications, knowledge and experience, the appointment of Mr. Prashant M. Kheskani as a Director will be in the interest

of the Company. The Board recommends the Resolution as set out in Item No. 6 of the Notice for approval of the members. None of the Directors or Key Managerial Personnel of the Company and their relatives other than Mr. Prashant M. Kheskani is in anyway deemed to be concerned or interested in the Resolution as set out in Item No. 6 of the Notice.

Item No: 7

The provisions of Section 188 (1) of the Companies Act, 2013 provides that the following Related Party Transactions require to be approved by the Shareholders by way of an Ordinary Resolution.

- (a) Sale, purchase or supply of goods or materials.
- (b) Selling or otherwise disposing of, or buying property of any kind.,
- (c) Leasing of property of any kind;
- (d) Availing or rendering of any service;
- (e) Appointment of any agent for purchase or sale of goods, materials, services or property;
- (f) Such related party's appointment to any office of place of profit in the company, its subsidiary company or associate company; and
- (g) Underwriting the subscription of any securities or derivatives thereof, of the company.

In light of the above provisions of the Companies Act, 2013 and rules made there under, the Audit Committee and Board of Directors of the Company have approved the transactions along with the annual limits that your company may enter with the related parties for the financial year 2019-20.

All of the disclosures prescribed to be given under the provisions of the Companies Act, 2013 and the Companies (Meetings of Board and its powers) Rules, 2014.

| Name of the Related Party | Nature of relationship | Nature of Transactions | Maximum Expected Value of the transactions per annum (Rs.) |
|----------------------------------|-------------------------------|-------------------------------------|---|
| Sandeep Jain | Son in Law | Sale/Purchase on Arm's Length Basis | 25,00,00,000 |

- (a) Name of the related party and Nature of Relationship;
- (b) Name of the director or key managerial personnel who is related, if any;
- (c) Nature, material terms, monetary value and particulars of the contract or arrangements;
- (d) Any advance paid or received for the contract or arrangement, if any
- (e) Manner of determining the pricing and other commercial terms both included as part of contract and not considered as part of contract: All Proposed transactions would be carried out as part of the business requirements of the company and are ensured to be on arm's length basis.
- (f) Whether all factors relevant to the contract have been considered, if not, the details of factors not considered with the rationale for not considering those factors; All factors have been considered.
- (e) any other information relevant or important for the members to take a decision on the proposed resolution. Nil

Members are hereby informed that pursuant to the second proviso of section 188 (1) of the Companies Act, 2013, no member of the company shall vote on such ordinary resolution to approve any contract or arrangement, if such member is a related party.

A copy of the draft arrangement with the related parties setting out the terms and conditions is/are available for inspection without any fee to members at the Company's registered office during the normal business hours on working days up to the date of the AGM.

Your Directors recommend the resolution for your approval.

Except Mr.Gautam M.Jain, Chairman & Managing Director, Mr.Rahul G.Jain, Executive Director, none of the Directors, Key Managerial persons of the Company and their relatives is/are concerned or interested in the resolution.

DIRECTORS' REPORT

To,
The Members,
METROGLOBAL LIMITED
Ahmedabad.

Your Directors have pleasure in presenting herewith their 27th Annual Report on the business and operations of the Company together with the Audited Statements of Accounts of the Company for the year ended on 31st March, 2019.

1. FINANCIAL SUMMARY OR HIGHLIGHTS/PERFORMANCE OF THE COMPANY (STANDALONE):-

| Particulars | 2018-19 | 2017-18 |
|--|------------------|-----------|
| Income for the year | 33,554.22 | 33,874.88 |
| Expenditure for the year excluding Depreciation and Amortization Exp. | 31,360.99 | 31,536.26 |
| Profit before Depreciation, interest and Amortization Exp. | 2,193.23 | 2,338.62 |
| Less: Depreciation and Amortization Exp. | 41.24 | 18.05 |
| Profit after Depreciation and Amortization Exp. Interest But before Tax | 2,151.99 | 2,320.57 |
| Exceptional items (Expense/income) | 511.21 | |
| Less: Current Tax | 375.00 | 550.00 |
| Comprehensive Income | 91.23 | 9.50 |
| Profit After Tax | 1,357.01 | 1,780.07 |

2. DIVIDEND:-

With a view to conserve the resources for the Company, the Board of Directors has not recommend any dividend on the Equity Shares for the year 2018-19.

3. BRIEF DESCRIPTION OF THE COMPANY'S WORKING DURING THE YEAR/STATE OF COMPANY'S AFFAIR:-

Total revenue of the company were **Rs. 33,554.22 lacs** and Rs. 33,874.88 lacs for the year **2018-19** and 2017-18 respectively.

Net Profit of the company was **Rs. 1,357.01 lacs** and Rs. 1,780.07 lacs for the year **2018-19** and 2017-18 respectively.

The management of the company is anticipating better performance in the future.

4. ARBITRATION PROCEEDING:-

You are aware that in June, 2009 the Company (erstwhile Metrochem Industries Limited) demerged one of its unit based in Vadodara (Including Building, Plant & Machineries, etc) in to Baroda Textile Effects Private Limited as a running unit to Huntsman International (India) Private Limited. ("Purchaser")

Certain disputes and differences arose between the Company and the Purchaser, as a result cross claims were filed in Arbitration Proceedings.

The Company is happy to announce that it has now settled its disputes with the Purchaser and as a result, the Company and the Purchaser now have no claim against each other.

5. DETAILS OF SUBSIDIARY COMPANIES:-

In terms of the General Exemption under Section 212 (8) of the Companies Act, 1956 granted by the Ministry of Corporate Affairs vide its circular no.02/2011 dated 8th February, 2011 and in compliance with the conditions enlisted therein, the Audited Statement of Accounts and the Auditors' Report thereon for the financial year ended 31st March, 2019 along with the Reports of the Board of Directors of the Company's subsidiary has not been annexed with the Balance Sheet of your Company.

The Annual Accounts and related documents of the Subsidiary Company shall be made available for inspection at the Registered Office of the Company. The same will also be made available upon request by any member of the Company interested in obtaining the same.

As directed by the said circular, the financial data of the Subsidiary has been furnished under 'Subsidiary Companies Particulars forming part of the Annual Report. Further Pursuant to Accounting Standard AS-110 issued by the Chartered Accountants of India, Consolidated Financial Statements presented by the Company in this Annual Report includes the financial information of its subsidiaries and Associate Companies..

6. PERFORMANCE AND FINANCIAL POSITION OF EACH OF THE SUBSIDIARIES, ASSOCIATES AND JOINT VENTURE COMPANIES INCLUDED IN THE CONSOLIDATED FINANCIAL STATEMENT:-

The Board's report shall contain a separate section wherein a report on the performance and financial position of each of the subsidiary companies, Associates Companies and LLP included in the consolidated financial statement of 2018-19 are presented.

7. REPORTS ON MANAGEMENT DISCUSSION ANALYSIS AND CORPORATE GOVERNANCE:-

As required under the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, management discussion and analysis and corporate governance report are annexed as Annexure - 1 and Annexure - 2 respectively to this Report.

8. BUSINESS RESPONSIBILITY REPORT:-

As required under the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, Business Responsibility Report describing the initiatives taken by the Company from an environment, social and governance prospective, it is applicable to BSE top 500 Companies, so it is not applicable to your company.

9. CORPORATE SOCIAL RESPONSIBILITY (CSR):-

Pursuant to the provisions of section 135 of the Companies Act, 2013 ("the Act") read with the Companies (Corporate Social Responsibility Policy) rules 2014, the Company has constituted a CSR Committee vide resolution passed by the Board dated 27/05/2014. The Board of Directors, based on the recommendations of the Committee, formulated CSR Policy encompassing Company's philosophy for describing its responsibility as a Corporate Citizen, laying down the guidelines and mechanisms for undertaking socially relevant programmes for welfare and sustainable development of the Community at large .

The amount required to be spent on CSR activities during the year under report in accordance with the provisions of Section 135 of the Act is Rs. 36.88 lacs and the Company has spent Rs.130.31 lacs during the Current Financial Year. The Excess payment of Rs.62.54 Lacs after adjusting previous years shortfall of Rs.30.89 lacs will be considered CSR activities for the F.Y. 2019-20. The requisite details on CSR activities pursuant to Section 135 of the Act and attached as per annexure attached to the Companies (Corporate Social Responsibility Policy) Rules, 2014 are annexed as **Annexure-3** to this Report.

10. RE-CLASSIFICATION AS PER REGULATION 31A OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS), REGULATIONS, 2015:-

The Company had, at its Annual General Meeting held on 28th September, 2018, obtained the approval of the shareholders for re-classification of the following Persons/Entities (not holding any shares in the Company) from "Promoter and "Promoter Group" category to Public category as per Regulation 31A of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015.

| Sr No | Name of the Entity/Company | No.of Shares held | % of the total Equity Capital |
|-------|---|-------------------|-------------------------------|
| 1 | Spring Trading and Investment Pvt Limited | 4,87,666 | 2.99% |

Subsequent thereto, the Company had made applications to the Stock Exchanges for their approval for the afore mentioned reclassification. The Company has received the approvals from Stock Exchanges for the re-classification on 6th November, 2018.

11. APPONTMENT /CESSATION OF DIRECTORS OR KMP:-

As per the provisions of Sections 149, 152 and Schedule IV of the Companies Act, 2013 read with the relevant Rules there under, the Company had appointed Mr. Nilesh R. Desai and Mr. Sandeep S. Bhandari as Independent Directors at its 22nd Annual General Meeting held on 30th September, 2014 was appointed as an Independent Director w.e.f. 1st October, 2014. As the above directors shall be completing their first term of appointment upon completion of five years from the respective dates of their appointment during the current year, they are eligible for re-appointment for another term of five consecutive years subject to approval of the Members by Ordinary Resolution. Further, Mr. Nilesh R. Desai (Date of Birth: 06-07-1960) and Mr. Sandeep S. Bhandari (Date of Birth : 19-12-1962) shall not cross the age of 75 years during their tenure. The continuance of these Directors as Independent Directors requires consent of the members by way of Ordinary Resolution. These Directors are active and keep good health. All the above named two directors have consented to their reappointment and confirmed that they do not suffer from any disqualifications for their re-appointment as Independent Directors.

Based on the recommendation of the Nomination and Remuneration Committee, Mr. Prashant M. Kheskani, Chartered Accountant was appointed as an Additional Director on the Board of the Company with effect from 10th November, 2018 under Article 102 of the Articles of Association of the Company and Section 161 (1) of the Companies Act, 2013. He will hold office as an Additional Director up to the ensuing Annual General Meeting. Company signfine is intention to proposed Mr. Prashant M. Kheskani as a candidate for the office of the Director of the Company, subject to approval of the members at Annual General Meeting.

12. NUMBER OF MEETINGS OF THE BOARD OF DIRECTORS:-

Five meeting of the Board of Directors were held during the period under review and further details are set out in the Corporate Governance Report forming part of the Directors' Report.

13. AUDIT COMMITTEE:-

Five meeting of the Audit Committee were held during the period under review and further details are set out in the Corporate Governance Report forming part of the Directors' Report. The Board undertake and confirms in true spirit that the Composition of the Committee is in accordance with the provisions of Section 177(2) of Companies Act, 2013 with Regulation 18 of LODR.

14. BOARD EVALUATION:-

Pursuant to Section 134 (3) (p) and other applicable provisions, if any of the Act and Regulation 17 (10) and other applicable provisions, if any of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("LODR"), the performance of the Board and Individual Directors was evaluated by the Board seeking relevant inputs from all Directors. The Nomination and Remuneration Committee (NRC) reviewed the performance of the individual Director. A separate meeting of the Independent Directors was held to review the performance of Non-independent Directors, performance of the Board as a whole and performance of the Chair-person of the Company.

The performance of the Board as a whole and even Directors individually was found satisfactory.

15. INDEPENDENT DIRECTORS' MEETING:-

The performance of the members of the Board, the Board levels Committees and the Board as a whole was evaluated at the meeting of the independent Directors of the Company. The Proper Records of the Minutes to this effect is maintained.

16. NOMINATION AND REMUNERATION COMMITTEE:-

Four meeting of the Nomination and Remuneration Committee were held during the period under review. The Composition of the Nomination and Remuneration Committee is in accordance with the provisions of Section 178 of Companies Act, 2013 with Regulation 19 of LODR and further details are set out in the Corporate Governance Report forming part of the Directors' Report.

17. DETAILS OF ESTABLISHMENT OF VIGIL MECHANISM FOR DIRECTORS AND EMPLOYEES:-

Your company recognizes the value of the transparency and accountability in its administrative and management practices. Your Company has established the said Mechanism since long. According to the Provisions of Section 177(9) to be read with 177(10) the Company has established the same since long. The Company promotes the ethical behaviour in all its business activities. The Company has adopted the Whistle Blower Policy and vigil Mechanism in view to provide a mechanism for the Directors and employees of the company to approach Audit Committee of the Company to report existing /probable violation of laws, rules, regulations or unethical conduct.

18. EXTRACT OF THE ANNUAL RETURN:-

Extract of the Annual Return for the Financial Year ended on 31st March, 2019 as required by section 92(3) of the Act is annexed as **Annexure -4** to this Report Vide Form MGT-9.

19. DECLARATION BY INDEPENDENT DIRECTORS:-

The following Directors are independent in terms of Section 149(6) of the Act and Regulation 16 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015,

1. Shri Sandeep S. Bhandari.
2. Shri Nilesh R. Desai
3. Shri Prashant M. Kheskani

The company has received requisite declarations/ confirmations from all the above directors confirming their independence,

20. POLICY ON DIRECTORS APPOINTMENT AND REMUNERATION:-

The Policy on Appointment of Directors and remuneration approved by the Board of Directors as per **Annexure-5**.

21. LISTING FEES:-

Listing Fees for the year 2019-20 has been paid to the BSE (Stock Exchange) wherein the equity shares of the Company is listed and also paid fees to the Depositories i.e. CDSL & NSDL.

22. BUY BACK OF SHARES:-

Your Company has Offered to Buy-Back 40,00,000 Equity Shares of Metroglobal limited by Letter of Offer by tender bidding process and M/s Vivro Financial Services Private Limited has been appointed as a Manager to the Buy-Back. As on closure date, Company has received 39,92,367 Equity Shares through valid Tender Bidding Process online Facility Provided by BSE.

23. DEPOSITS:-

During the year under review, the Company has neither invited nor accepted / renewed any deposit from the public within the meaning of section 58A & 58AA of the Companies Act, 1956 to be read with Section 73 to 76 of Companies Act, 2013 to be read with Rules framed and notified there under and rules made there under and as on March 31, 2019 the Company had no unclaimed deposits or interest thereon with all possible riders and therefore all assets including Human Capital is sufficiently insured for the amount due to any depositor.

24. PARTICULARS OF EMPLOYEES:-

During the year under review. there were no employees drawing remuneration in excess of limits prescribed under sub rule (2) of clause 5 of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

25. INSURANCE:-

During the year all insurable interests of the Company including inventories, building, equipment and others to the extent necessary were/are adequately insured.

26. STATUTORY AUDITORS:-

AMPAC & Associates, Chartered Accountants, Mumbai (ICAI Firm Registration FRN 112236 w, Membership No: 044062), Chartered Accountants (CAs), Mumbai were appointed as the statutory auditors of the Company at the 22nd Annual General Meeting (AGM) of the Company held on Tuesday, 30th September, 2014 have been the Auditors of the Company since 2011. As per the provisions of section 139 of the Act, no listed company can appoint or re-appoint an audit firm as auditor for more than two terms of five consecutive years. Section 139 of the Act has also provided a period of five years from the date of commencement of the Act to comply with this requirement.

In accordance with Section 139 of the Act, Members are requested to ratify the appointment of the Auditors for the balance term to hold office the conclusion of 27th Annual General Meeting till the conclusion of the 28th Annual General Meeting of the Company to be held in the year 2019-20 (subject to ratification of their appointment at every AGM).

27. AUDITORS' REPORT:-

The explanations or comments by the Board on every qualification, reservation or adverse remark or disclaimer made by the auditor / secretarial auditor in his report shall be given.

There are no qualifications, reservations or adverse remarks or disclaimers made by the Auditors in their report on the Financial Statements of the Company for the Financial Year ended on 31st March, 2019.

28. SECRETARIAL AUDIT REPORT:-

Pursuant to Section 204 of the Act, the Secretarial Audit Report for the Financial Year ended 31st March, 2019 given by C.S. Jignesh Shah, Practising Company Secretary is annexed as **Annexure-6** to this Report.

As regards observations made in the said Secretarial Audit Report regarding Excess Contribution to CSR activities, it will carried forward for CSR activities for F.Y.2019-20. The explanation is given in this Directors' Report under the heading "Corporate Social Responsibility".

29. RISK MANAGEMENT POLICY:-

The Company has adopted a Risk Management Policy in accordance with the provision of Companies Act,2013 and Regulation 17 (9) of LODR. It established various level of accountability and overview within the company. While vesting identified manager with responsibility for each significant risk.

30. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186 OF THE ACT:-

Particulars of loans given and of the investments made by the Company as on 31st March, 2019 are given in the Notes forming part of the Financial Statements.

31. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES:-

The particulars of every contract or arrangements entered into by the Company with related parties referred to in subsection (1) of section 188 of the Companies Act, 2013 including certain arms length transactions under third proviso thereto shall be disclosed in Form AOC-2.

32. PARTICULARS REGARDING CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS / OUTGO:-

Additional information on conservation of energy, technology absorption, foreign exchange earnings and outgo as required, to be disclosed in terms of section 134 of the Act, read with The Companies (Accounts) Rules, 2014 is annexed as **Annexure-7** to this Report.

33. COST AUDITORS:

As per the requirements of Section 148 of the Act, read with The Companies (Cost Records and Audit) Rules, 2014, the Cost Audit is not applicable to the Company. It has not any kind of manufacturing facility.

34. INSTANCES OF FRAUD, IF REPORTED BY THE AUDITORS:-

There has been no instances of fraud reported by the Auditors under Section 143(12) of the Companies Act, 2013.

35. MANAGERIAL REMUNERATION:**DISCLOSURE UNDER SECTION 197 (12) AND RULE 5 (1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014**

The requisite details relating to ratio of remuneration, percentage increase in remuneration etc. as stipulated under the above rules are annexed as **Annexure-8** to this Report.

36. DISCLOSURE UNDER RULE 5 (2) AND 5 (3) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

The requisite details relating to remuneration of the specified employees covered under the above rules are annexed as **Annexure-9** to this Report

37. DIRECTORS' RESPONSIBILITY STATEMENT:-

The Directors' Responsibility Statement referred to in clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013, shall state that—

- a) in the preparation of the annual accounts for financial year ended 31st March, 2019, the applicable accounting standards have been followed and there is no material departures from the same;
- b) the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give true and fair view of the state of affairs of the Company at the end of the financial year and of the profit or loss of the Company for that year;
- c) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) the Directors have prepared the annual accounts for the financial year ended 31st March, 2019 on a going concern basis.
- e) The directors, in the case of a listed company, had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.
- f) The directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such system were adequate and operating effectively.

38. DETAILS IN RESPECT OF ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENTS:-

The Company has in place adequate internal financial controls with reference to financial Statements, during the period under review, such control were tested and no reportable material weakness in the design or operation was observed.

39. ENVIRONMENT, HEALTH SAFETY AND SOCIAL RESPONSIBILITY:-

Your Company is committed in maintaining the highest standards of environment compliances and therefore adopted a systematic approach towards environment management by embedding a vision of being an "Injury Free" and "Zero Environment Incident" organisation. Over the past many years, your company has been progressing well in terms of reducing injury frequency rates and has improved safety records.

40. DISCLOSURE UNDER SEXUAL HARASSMENT OF WOMEN OF WORKPLACE (PREVENTION AND REDRESSAL) ACT, 2013:-

In line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, the Company has set up Internal Complaints Committee at its workplaces to redress complaints received regarding sexual harassment. No complaints have been reported during the financial year 2018-19. All employees (Permanent, Contractual, temporary, trainees) are covered under this policy.

41. APPRECIATION

The Directors wish to place on record their appreciation of the devoted services of the employees, who have largely contributed to the efficient management of your Company. The Directors also place on record their appreciation for the continued support from the shareholders, the lenders and other associates.

For and on behalf of the Board

Sd/-

Gautam M. Jain

Chairman & Managing Director

(DIN 00160167)

Place : Ahmedabad
Date : 30th May, 2019

ANNEXURE-1**MANAGEMENT DISCUSSION AND ANALYSIS REPORT****Indian economic overview**

After growing at 6.7% in 2017-18, the Indian economy is expected to report a growth of 7% in 2018-19 (as per the second estimates of CSO). The principal developments during the year comprised increased per capita income, decline in the national inflation, steady interest rates, decline in the price of crude oil and weaker consumer sentiment in the second half of the financial year. India retained its position as the world's fastest growing economy and the sixth largest economy. In 2018, India received more foreign inflows than China - US\$ 38 billion compared with China's US\$ 32 billion. India reported a 23-notch jump to 77th position in the World Bank's report on the Ease of Doing Business that captured the performance of 190 countries, reporting an improvement in six of 10 parameters.

Outlook

World Bank projected India's economic growth to accelerate to 7.5% in 2019-20. Strong private consumption and services are expected to catalyse economic activity. Private investment is expected to revive as the corporate sector adjusts to GST. The recapitalisation package for public sector banks announced by the Government of India is expected to resolve banking sector Balance Sheets, enhance credit availability and spur national investment.

CONSTRUCTION SECTOR

Construction industry in India will remain buoyant due to increased demand from real estate and infrastructure projects. Its contribution to the country's GDP is expected to be approximately 13%. India's construction industry is expected to grow at an annual average of 6.6% between 2019 and 2028.

DYES AND INTERMEDIATES: Dyeing is the process of imparting colours to a textile material. Different classes of dyes are used for different types of fiber and at different stages of the textile production process, from loose fibres through yarn and cloth to completed garments. Due to increasing growth of textile industries, demand of dyes and dye Intermediates are also increasing very fast in domestic as well as in global market. The demand for dyes and dye intermediates is expected to grow at around 6%, backed by strong demand from the textiles, leather, and inks industries. Dyestuff sector is one of the core chemical industries in India. It is also the second highest export segment in chemical industry. The major users of dyes in India are textiles, paper, plastics, printing ink and foodstuffs. The textiles sector consumes around 80% of the total production due to high demand for polyester and cotton, globally. Globally the dyestuffs industry has seen an impressive growth.

OPPORTUNITIES & THREATS :**Construction Sector:**

India has maintained a stable outlook on the construction sector for financial year 2018-19 on accelerated revenue growth due to increased spending by the Centre, giving a sector view, order inflows may continue to improve in the next fiscal 2019-20.

A surge of industries in and around major cities and emergence of new business sectors have created a flux of employment opportunities, attracting workforce from across the country. This phenomenon has also sustained the real estate market in the country which is now more buyer focused as the demand in residential sector has increased.

Dyes & Intermediates:

Pollution and effluent problems have become the single biggest factor in restricting the growth of the dyestuff industry in the developed nations. Tighter rules and regulations, strict laws and high standard for treatment of the effluents have forced these countries to look for better opportunities without sacrificing their interest. If India has to capitalize on these opportunity, then there seems to be no harm in encouraging this industry in the country provided proper measures are taken for effluent treatment. The world market for textiles is growing and, therefore, the demand for dyes will continue to grow in future. In the domestic market, the textile industry is passing through recession, if this phase continues for a long period, it may pose a threat to the dyestuff industry.

Various projects under Implementation:

Ganesh Infrastructure: Your Company has also become partner of "Ganesh Infrastructure" for development of land and Building at Ankleshwar. This project comprises of residential apartments, bungalows, commercial complexes & shopping malls.

DK Metro Industrial Estate: Your Company has acquired land in the industrial area of Chattral. The Commercial project is launched to develop an Industrial Estate comprising of commercial shops, sheds and plots under the Name of "DK Metro Industrial Estate"

My Space Infracon LLP: Your company has also become partner of “My Space Infracon LLP” who has acquired land in Ankleshwar to develop industrial plotting project.

A. SEGMENT WISE PERFORMANCE

The Company was engaged in the business of Dyes and dyes intermediates, Realty and Infrastructure and other business during the financial year under review.

Realty and Infrastructure:

Your Company has an income of Rs. 165 lacs from the Realty and Infrastructure Segment during the year under review as against Rs. 221 lacs during the previous year

Trading and Finance business:

The turnover of the trading and finance segment during the year under review is Rs. 33,218 Lacs as against Rs. 32,777 Lacs the previous year.

B. RISKS MANAGEMENT

As a diversified Company, the Company has always had a system based approach to business risk management. Backed by strong internal control systems, the current risk management consists of following elements:

- The Company has clearly laid down roles and responsibilities in relation to risk management
- The Company has planned its activities and long term arrangement for supply of raw materials such as cement, steel etc to reduce the risk of instability of prices of such raw materials.
- The Company ensures that the risks it undertakes are commensurate with better returns
- In order to minimize the risks, planning and risks management is the main objective of the Company.

C. INTERNAL CONTROL SYSTEMS AND ADEQUACY

Your Company has adequate internal controls for its business across departments to ensure efficiency of operations, compliances with internal policies and applicable laws and regulations, protection of resources and assets and accurate reporting of financial transactions.

The internal control system is supplemented by extensive internal checking system, regular reviews by management and standard policies and guidelines to ensure the reliability of financial and all other records.

The Company has also appointed the Internal Auditor in line with the Provisions of Section 138 of Companies Act, 2013.

D. HUMAN RESOURCES

Your Company believes that it is the employee’s skills and capabilities which will provide the necessary cutting edge to face challenges and market competition. Your Company re-emphasizing philosophy that employee well-being is extremely important, welfare activities have been given a boost. Your Company strives to maintain a professional work environment where every employee feels satisfied and appreciated.

E. CAUTIONARY STATEMENT

Certain statements in this report may be forward-looking statements. Such forward-looking statements are subject to certain risks and uncertainties like regulatory changes, local, political or economic developments, technological risks, and many other factors that could cause our actual results to differ materially from those contemplated by the relevant forward-looking statements.

ANNEXURE-2
CORPORATE GOVERNANCE REPORT
1. COMPANY PHILOSOPHY

The essence of Corporate Governance lies in its transparency, its efficiency lies in its ability to protect the stakeholders' interest. This is precisely what your Company's governance process and practice ventured to achieve; a transparency and professionalism in action as well as the implementation of policies and procedure to ensure high ethical standards as well as responsible management.

To enunciate the spirit behind the governance process, your Company listed out its various compliances with the statutory requirements of the day, as well as the spirit of the practice

A Report on compliance with the principles of Corporate Governance as prescribed by Securities and Exchange Board of India (SEBI) in Chapter IV read with Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("LODR") (hereinafter referred to as "SEBI Regulations") is given below:

2. BOARD OF DIRECTORS
2.1 Composition of Board

The Board has an optimum combination of Executive and Non-executive Directors, The size and composition of the Board conforms to the requirements of the Corporate Governance code under Regulation 17(1) of SEBI Regulations, 2015. The Board of Directors of the Company as at 31st March, 2019 comprises of 6 (six) directors including woman director.

| Category | No | Percentage of total number of directors |
|---|----------|---|
| Executive Directors | 2 | 50% |
| Non Executive Directors as Company has Executive Chairman | 3 | 50% |
| Woman Director (Non Executive) | 1 | |
| Total | 6 | 100% |

| Name of the Director | Designation | Category | Directorship held in other Public Limited Companies | Committee Membership of other Companies |
|------------------------|------------------------------|----------------|---|---|
| Mr. Gautam M.Jain | Chairman & Managing Director | Executive | 2 | 1 |
| Mr. Rahul G. Jain | Executive Director | Executive | Nil | Nil |
| Mr.Sandeep S. Bhandari | Independent Director | Non Executive | Nil | Nil |
| Mr. Nilesh R. Desai | Independent Director | Non Executive | 1 | Nil |
| Mr.Prashant M.Kheskani | Independent Director | Non-Executive | Nil | Nil |
| Mrs. Krati R. Jain | Woman Director | Woman Director | Nil | Nil |

2.2 Board Procedure

During the year under review, the Board of the Company met 5 (Five) times. Notices along with Agenda papers were sent to Directors in advance of each Board Meeting. The necessary information including agenda, the workings & statements containing status of various matters were placed before the Board of the Company.

Minimum four Board meetings are held in each year. Apart from the four prescheduled Board meetings, the meetings would be convened to address specific needs of the company.

2.3 Attendance of the Directors at the Board Meetings and at the last Annual General Meeting

During the Financial Year (FY) ended on 31st March,2019, meeting of the Board of Directors was held 5 (Five) times. The intervening period between two Board Meetings was well within the maximum gap of four months as per the Companies Act,2013 and listing Regulations. The minimum information as required under Part A of Schedule II to Regulation 17 (7) of the SEBI Regulations is being made available to the board at respective board meetings.

| Name of the Director | Number of Board Meetings | | Attended the Last AGM held on 29 th September, 2018. |
|---|--------------------------|----------|---|
| | Held | Attended | |
| Mr. Gautam M. Jain | 5 | 5 | Yes |
| Mr. Rahul G. Jain | 5 | 5 | Yes |
| Mr. Sandeep S. Bhandari | 5 | 5 | Yes |
| Mr. Nilesh R. Desai | 5 | 5 | Yes |
| Mr. Prashant M. Kheskani (Appointed w.e.f. 10-11-2018) | 3 | 2 | No |
| Mrs Krati R. Jain | 5 | 5 | No |

2.4 Board Evaluation

In compliance with the Act and LODR, the Independent Directors have carried out a performance review of the Board as a whole on the following parameters and came on the following conclusion.

- The size and Composition (Executive, Non-executive, Independent Directors and their background in terms of knowledge, skill & experience) of the Board is appropriate.
- The Board conducts itself in such a manner so as to protect and take care of interests of all shareholders.
- The Board is active in addressing matters of strategic concerns in its review.
- The Board makes well informed high quality decision on the basis of full information and insights.
- The Board's effective in establishing a corporate that would enable proficient and effective disclosure, fiscal accountability, high ethical standards and compliance with applicable laws and regulations.
- The Board meeting time is appropriately allocated between management presentation and Board Discussion.
- The Board has a good understanding of the Company's key drivers of performance and associated risks, threats and opportunities.
- The Board devotes considerable amount time in developing the business strategy/and annual business plan.
- The Board clearly defined the mandates of its various committees.
- The Board is effective in formulating and monitoring various financial and non-financial policies and plans.
- The Board is effective in developing a corporate governance structure that allows and encourages the Board to fulfil its responsibilities.
- The Board pays considerable attention to the quality of financial statement, reporting controls and allied matters.
- The Board gives effective advice for achieving company's mission/vision.

The details of Board meetings held and the Directors' attendance in each meeting are given in the following table.

| Meeting Held At | Date of Board Meeting | No. of Directors Present |
|-----------------|-----------------------|--------------------------|
| Ahmedabad | 30-05-2018 | 5 |
| Ahmedabad | 13-08-2018 | 5 |
| Ahmedabad | 10-11-2018 | 5 |
| Ahmedabad | 07-02-2019 | 6 |
| Ahmedabad | 30-03-2019 | 6 |

Brief resume summary of the directors seeking appointment / re-appointment during the year have been disclosed in the Annexure to the notice to the Annual General Meeting. The last Annual General Meeting was held on 29th September, 2018.

Personal shareholding of Non-Executive Directors, in the Company as on 31st March, 2019 is as follows:

| Name of the Directors | Number of equity shares of held of Rs.10/- |
|--------------------------|--|
| Mr. Nilesh R. Desai | NIL |
| Mr. Sandeep S. Bhandari | NIL |
| Mr. Prashant M. Kheskani | NIL |
| Mrs. Krati R. Jain | NIL |

COMMITTEES OF THE BOARD

- Audit Committee
- Remuneration Committee
- Shareholders'/Investors' Grievance and Share Transfer Committee
- CSR Committee

3. AUDIT COMMITTEE

3.1 The Audit Committee of the Company is constituted in line with Regulation 18 of LODR, 2015 read with 177 of the Act.

The Audit Committee comprises of two independent Directors and one Executive Director as at 31st March, 2019. Mr. Sandeep S. Bhandari, Independent Director is the Chairman of the Committee All the members of the Committee possess strong accounting and financial management knowledge.

The Company's Audit Committee functions under the Chairmanship of Mr. Sandeep S. Bhandari. Four Audit Committee meetings were held on May 30, 2018, August 13, 2018, November 10, 2018 and February 07, 2019 in due compliance with the stipulated provisions, The Attendance record of the members of Audit Committee is given below.

| Name of Member | Category of Director | Status | No. of Meetings Attended |
|---|-----------------------------|---------------|---------------------------------|
| Mr. Sandeep S. Bhandari | Independent Director | Member | 4 |
| Mr. Nilesh R. Desai | Independent Director | Member | 3 |
| Mr. Rahul G. Jain | Executive Director | Member | 4 |
| Mr. Prashant M. Kheskani (Appointed w.e.f. 07-02-2019) | Independent Director | Member | 1 |

In addition to the above, the Committee meeting attended by CFO & Company Secretary.

The Committee acts as a link between the management, auditors and the Board and has full access to financial information.

3.2 Terms of reference

The role and terms of reference of the Audit Committee covers the matters specified under Regulation 18 and Part C of Schedule II of the LODR read with Section 177 of the Act. The Audit Committee reviews the financial Statements of the Company and Subsidiary Company and also perform the following functions.

- To review the audit plan and Company's external Audit Report.
- To review financial Statements of the Company before their submission to the Board.
- To review company's staff support to the external auditors.
- To review the scope and results of internal audit procedure.
- To review the scope and results of internal audit procedure.
- To review related party transactions.
- To generally undertake such other functions and duties as may be required by statute or by the Listing Agreement and by such other amendments made thereto from time to time.

4. NOMINATION & REMUNERATION COMMITTEE :

The role of the Nomination and Remuneration Committee is to review market practices and decide the remuneration package applicable to the Chairman & Managing Director and Whole time Director/Executive Director of the Company.

Four Nomination and Remuneration Committee meetings were held on May 30, 2018, August 13, 2018, November 10, 2018 and February 07, 2019 in due compliance with the stipulated provisions, The Attendance record of the members of Nomination and Remuneration Committee is given below.

| Name of Member | Category of Director | Status | No. of Meetings Attended |
|---|-----------------------------|---------------|---------------------------------|
| Mr. Nilesh R. Desai | Independent Director | Chairman | 4 |
| Mr. Sandeep S. Bhandari | Independent Director | Member | 4 |
| Mr. Rahul G. Jain | Executive Director | Member | 3 |
| Mr. Prashant M. Kheskani (Appointed w.e.f. 07-02-2019) | Independent Director | Member | 1 |

4.1 Terms of reference

The role of Nomination & Remuneration Committee is to facilitate the transparency, accountability and reasonableness of the remuneration of Director and Senior Management Personnel.

The Nomination & Remuneration Committee will recommend to the Board a revision of remuneration package for Executive Chairman & Managing Director, Executive Director and Senior Management Personnel

All aspects of remuneration, including but not limited to directors' fees, salaries, allowances and benefits-in-kind shall be covered by remuneration committee. The Nomination & Remuneration Committee Director shall abstain from voting any resolution of his remuneration package.

4.2 Remuneration policy

The Company pays remuneration to its Executive Chairman & Managing Director and Executive Director by way of Salary, perquisites and bonus. The remuneration approved by the Board.

4.3 Details of remuneration to all the Directors:

| Name of Director | Category of Director | Salary | Perquisites | Sitting fees |
|--------------------|------------------------------|----------|-------------|--------------|
| Mr. Gautam M. Jain | Chairman & Managing Director | 7,98,000 | 41,52,000 | NIL |
| Mr. Rahul G. Jain | Executive Director | 5,82,000 | 31,68,000 | NIL |
| Mrs. Krati R. Jain | Woman Director | 1,44,000 | 1,53,000 | NIL |

5. STAKEHOLDERS / RELATIONSHIP COMMITTEE:
5.1 Composition of Committee

The role of the Stakeholders/Relationship Committee is to deal with matters relating to transfer of shares and monitor redressal of complaints from Shareholders relating to transfers, non receipt of Balance Sheet etc with a view to expediting the process of Share transfers, necessary authority has been delegated to approve the transfer of Shares.

Four Stakeholders/Relationship Committee meeting were held on May 30, 2018, August 13, 2018 November 10, 2018 and February 07, 2019 in due compliance with the stipulated provisions. The Attendance record of the members of Stakeholders/Relationship Committee is given below.

| Name of Member | Category of Director | Status | No. of Meetings Attended |
|--------------------------|----------------------|----------|--------------------------|
| Mr. Sandeep S. Bhandari | Independent Director | Chairman | 4 |
| Mr. Nilesh R. Desai | Independent Director | Member | 4 |
| Mr. Rahul G. Jain | Executive Director | Member | 3 |
| Mr. Prashant M. Kheskani | Independent Director | Member | 1 |

(Appointed w.e.f. 07-02-2019)

5.2 Terms of Reference

The Current terms of reference of the Committee are as follows.

- To allot the equity shares of the Company.
- Efficient transfer of shares, including cases for refusal of transfer/transmission of shares
- Redressal of Shareholders and Investor complaints like transfer of shares, non receipt of Balance Sheet, Non receipt of declared dividend etc.
- Issue of duplicate / split / consolidated Share Certificate
- Allotment and listing of shares.
- Review cases for refusal / transmission of Shares.
- Reference to Statutory and regulatory authorities regarding investor grievance.
- Proper and timely attendance and redressal of investor queries and grievances.

5.3 Details of Shareholders Complaints:

| Details of Complaints received | Nos. |
|--|------|
| Number of Shareholders Complaints received from 01.04.2018 to 31.03.2019 | 10 |
| Number of Complaints resolved | 10 |
| Number of Outstanding Complaints as on 31.03.2019 | 0 |

6. CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE:
6.1 Composition of Committee

The Corporate Social Responsibility (CSR) committee consist of 3 (Three) Directors namely. Mr.Gautam M.Jain as the Chirman and Mr. Rahul G. Jain & Mr. Nilesh R. Desai as members of the Committee. Four Corporate Social Responsibility (CSR) committee meeting were held on May 30, 2018, August 13, 2018 November 10, 2018 and February 07, 2019 in due compliance with the stipulated provisions. The Attendance record of the members of the Corporate Social Responsibility (CSR) committee is given below.

| Name of Member | Category of Director | Status | No. of Meetings Attended |
|---------------------|----------------------|----------|--------------------------|
| Mr. Gautam M. Jain | Executive Director | Chairman | 4 |
| Mr. Rahul G. Jain | Executive Director | Member | 4 |
| Mr. Nilesh R. Desai | Independent Director | Member | 4 |

The Committee formulates and recommend to the Board a Corporate Social Responsibility Policy and monitor and review the same and determine implementation process/execution of CSR Policy.

Disclosure of contents of Corporate Social Responsibility as required under the Companies (Corporate Social Responsibility Policy) Rules, 2014 is attached as separate annexure.

7. INDEPENDENT DIRECTOR'S MEETING:

During the year under review, the Independent Directors met on March,26,2019

- i. Evaluation of the performance of the Non-Independent Directors, the Board of Directors as a whole.
- ii. Evaluation of the performance of the Chairman & Managing Director & Whole Time of Director of the Company.
- iii. Evaluation of the quality, content and Management and the Board that is necessary for the board to effectively and reasonably perform its duties

The Details of attendance of Independent Directors are as follows.

| Name of Member | Category of Director | Status | No. of Meetings held/Attended |
|---|----------------------|--------|-------------------------------|
| Mr. Sandeep S. Bhandari | Independent Director | Member | 1 |
| Mr. Nilesh R. Desai | Independent Director | Member | 1 |
| Mr. Prashant M. Kheskani (Appointed w.e.f. 07-02-2019) | Independent Director | Member | 1 |

8. CODE OF CONDUCT:

The Board of Directors has laid down the Code of Conduct, applicable to all Board members and senior executives of the Company. All Board members and senior management executives have affirmed compliance with the Code of Conduct.

I hereby confirm that all the Directors and Senior Management of the Company have affirmed compliance with Code of Conduct as applicable to them for the financial year ended on 31st March, 2019.

For MetroGlobal Limited

30-05-2019
Ahmedabad

Gautam M. Jain
Chairman & Managing Director

9. DETAILS OF GENERAL BODY MEETINGS:

- (i) Date, Time & Location of the last three Annual General Meetings and details

| AGM and date | Time | Location | No. of Special Resolutions passed |
|--|------------|---|-----------------------------------|
| 26 th AGM 29 th September, 2018 | 11,30 a.m. | Conference Hall,The Oriental Residency, Next to Khar Telephone Exchange, P.D. Hinduja Marg, Khar (West), Mumbai | Nil |
| 25 th AGM 29 th September, 2017 | 11,30 a.m. | Conference Hall,The Oriental Residency, Next to Khar Telephone Exchange, P.D. Hinduja Marg, Khar (West), Mumbai | Nil |
| 24 th AGM 29 th September, 2016 | 11,30 a.m. | Conference Hall,The Oriental Residency, Next to Khar Telephone Exchange, P.D. Hinduja Marg, Khar (West), Mumbai | Nil |

Special Resolutions Passed in the last 3 (Three) AGMs.

| Financial Year (FY) | Items |
|---------------------|---|
| 2017-2018 | 1. Reclassification of Promoters of the Company 2. Revision of Remuneration of Mr. Gautam M. Jain, as Executive Chairman and Managing Director of Company. |
| 2016-2017 | NIL |
| 2015-2016 | NIL |

POSTAL BALLOT

There was no resolutions passed by postal ballot as per the provisions contained in this behalf in the Companies Act and rules made there under namely Companies (Passing of the Resolution by Postal Ballot) Rules, 2011 as amended from time to time shall be complied with whenever necessary.

10. DISCLOSURES:**(a) Related party transactions**

The Company follows the following policy in regard to disclosure of the related party transactions to the Audit Committee:

- (a) A statement in the summary from of transactions with related parties in the ordinary course of business is placed periodically before the Audit Committee.
- (b) There are no material individual transaction with related parties, which are not in the normal course of business and material individual transaction with related parties or others which are not on arms length basis.

During the financial year 2018-19, there were no materially significant transactions entered in to between the Company and its Promoter, Directors or the Management, Subsidiaries or relatives etc. They may have potential conflict with the interest of the Company at large.

(b) Disclosure of accounting statements

The Company has followed all applicable Accounting Standards referred in section 133 of Companies Act,2013 read with the Companies (Accounts) Rules, 2014. while preparing the financial statements subject to notes thereon.

(c) Proceeds from public issues, right issues, preferential issues etc

During the year, the Company has not issued any equity shares, right issue and preferential issues as per SEBI (ICDR) guidelines, 2009.

Code for Prevention of Insider Trading Practices

The Company has instituted a comprehensive Code of Conduct for Prevention of Insider Trading for its designated employees, in compliance with Securities and Exchange Board of India (Prohibition of Insider Trading) Regulation, 2015, as amended from time to time. The code lays down guidelines, which advises them on procedures to be followed and disclosures to be made, while dealing with shares of the Company and cautioning them of the consequences of violations.

(d) Management

The Management Discussion and Analysis Report, published as a separate section of this report is prepared in accordance with the requirements under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and forms part of the Annual Report.

(e) Disclosure of Directors seeking appointment / reappointment

The details pertaining to Directors seeking appointment / reappointment are furnished as Annexure 1 to Notice convening the Annual General Meeting.

(f) Details of Compliance with mandatory requirements and adoption of the non-mandatory requirements of this clause

The Company has complied with mandatory requirements of Listing Agreement.

1. The Company has set up a Remuneration Committee pursuant to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

(g) CEO/CFO Certification

In terms of Regulation 17 (8) of Schedule II of the LODR, CMD and the CFO of the have certified the Board regarding the Financial Statements for the year ended 31st March, 2019.

(h) Auditors' Report on Corporate Governance

Certificate from the Statutory Auditors confirming compliance with the conditions of Corporate Governance, as stipulated in the Listing Agreement of the Stock Exchanges in India and relevant provisions of Securities and Exchange Board of India (LODR) Regulations, 2015 forms part of this report.

11. MEANS OF COMMUNICATION :

- Newspapers wherein results normally published The Company has started publishing the results in Newspaper. The Company has published the results for the quarter ended 30th June, 2018, 30th September, 2018, 31st December, 2018 & 31st March, 2019 in the following newspaper :
1) The Free Press Journal
2) Navshakti
- Any Web site, where displayed The data and information relating to the Company can be accessed from the following websites :
www.metrogloballimited.com

Green Initiative for Paperless Communications: To support the “Green Initiative in the Corporate Governance” an initiative has been taken by the ministry of Corporate Affairs (MCA). The Company has sent the soft Copies of Annual Report 2015-16 to those members whose email ids were registered with the Depository Participants (DPs) .

12. GENERAL SHAREHOLDER INFORMATION :
(i) Annual General Meeting:

| | |
|-------------------------------|---|
| Day | Monday |
| Date | 30-09-2019 |
| Time | 04.30 p.m. |
| Place | Conference Hall of The Oriental Residency, Next to Khar Telephone Exchange, P.D. Hinduja Marg, Khar (West), Mumbai-400052 |
| Last date of receipt of Proxy | 28-09-2019 |
| Posting of Annual Report | 05-09-2019 |

(ii) Financial Year:

The Financial Year of the Company is from 01st April to 31st March. The Board Meeting for approval of Quarterly financial Results during the year ended 31st March, 2019 were held on the following dates:-

| Quarter Ended on | Date of Board Meeting |
|---|-----------------------|
| First Quarter Results-30-06-2018 | 13-08-2018 |
| Second Quarter and Half yearly Results 30-09-2018 | 10-11-2018 |
| Third Quarter Results 31-12-2018 | 07-02-2019 |
| Fourth Quarter Results 31-03-2019 (Audited) | 30-05-2019 |

Financial Calendar 2018-19

| | |
|--|--|
| First Quarter Results-30-06-2018 | Within 45 days from the close of quarter |
| Second Quarter and Half yearly Results 30-09-2018 | Within 45 days from the close of quarter |
| Third Quarter Results 31-12-2018 | Within 45 days from the close of quarter |
| Fourth Quarter Results & Annual Results 31-03-2019 (Audited) | Within 60 days from closing of the quarter |

(iii) Dates of Book Closure :

Book Closure dates :

23rd September, 2019 to 28th September, 2019 (both days inclusive).

(iv) Dividend Payment:

The Board of Directors at their meeting held on 30th May, 2019 not recommended an any dividend on equity shares.

(v) Listing details of Equity Shares:

| Name of the Stock Exchange | Stock Code |
|--|------------|
| Bombay Stock Exchange of India Limited (BSE) | 500159 |

(vi) Stock Code:

The ISIN allotted to the Company's equity shares of face value of Rs.10/- each under the depository system is INE085D01033

(vii) Stock Market Price Data:

During the year, Company's equity shares are actively traded during 2018-19 at Bombay Stock Exchange Limited, Mumbai.

Bombay Stock Exchange Limited: Metroglobal Limited (500159)

| Month | METROGLOBL Share Price | | No.of Shares Traded during the Month | Turnover in ` | |
|----------------|------------------------|-------|--------------------------------------|-----------------|--------------------|
| | HighRs. | Low ` | | | Close ` |
| April-2018 | 83.70 | 65.20 | 77.50 | 17,599 | 13,92,989 |
| May-2018 | 83.80 | 68.70 | 75.50 | 18,037 | 13,82,770 |
| June-2018 | 84.00 | 67.00 | 73.50 | 16,399 | 12,25,410 |
| July-2018 | 81.90 | 66.75 | 70.95 | 15,134 | 10,88,825 |
| August-2018 | 82.00 | 64.50 | 68.10 | 23,358 | 16,69,615 |
| September-2018 | 76.90 | 62.30 | 69.65 | 14,530 | 10,02,381 |
| October-2018 | 74.40 | 59.00 | 60.85 | 11,262 | 7,15,089 |
| November-2018 | 78.60 | 60.10 | 63.80 | 9,237 | 6,07,325 |
| December-2018 | 75.00 | 63.60 | 66.35 | 13,502 | 9,00,002 |
| January-2019 | 72.40 | 54.00 | 60.05 | 12,416 | 7,92,402 |
| February-2019 | 65.00 | 47.30 | 52.50 | 18,595 | 10,46,387 |
| March-2019 | 61.75 | 43.70 | 54.25 | 57,274 | 30,21,563 |
| Total | | | | 2,27,343 | 1,08,43,589 |

(viii) Registrar and Share Transfer Agents:

The Company in compliance with the SEBI guidelines has appointed Sharex Dynamic (India) Pvt.Ltd. Mumbai as a common share transfer agent for Physical and Electronic form of Shareholding

For Share Transfer, Demat, & any other Communications relating to Share Certificates, Change of address, Investor Grievances etc. to be sent to

Sharex Dynamic (India) Pvt. Ltd.

Re : MetroGlobal Limited

C-101, 247 Park, LBS Marg, Vikhroli West, Mumbai-400083

(ix) Share Transfer System:

Job of Registrar and Transfer Agents is carried out by Sharex Dynamic (India) Pvt. Ltd., Mumbai Transfer and dematerialization of shares are processed by Sharex Dynamic (India) Pvt. Ltd., Mumbai. The transfer of shares in depository mode need not be approved by the Company. The Physical transfers of Shares are approved by Shareholders'/Investors' Grievance and Share Transfer Committee.

(x) Distribution of Shareholding as on 31st March, 2019:

| SHAREHOLDING OF NOMINAL VALUE OF | | SHAREHOLDERS | | SHARE AMOUNT | |
|-------------------------------------|-----|---------------|---------------|---------------------|---------------|
| | | Number | % to Total | In ` | % to Total |
| (1) | (2) | (3) | (4) | (5) | |
| Upto to 5000 | | 12,907 | 96.761 | 70,62,570 | 4.326 |
| 5001-10000 | | 180 | 1.349 | 14,31,860 | 0.877 |
| 10,001 - 20,000 | | 103 | 0.772 | 14,76,910 | 0.905 |
| 20,001 - 30,000 | | 38 | 0.285 | 9,93,880 | 0.609 |
| 30,001 - 40,000 | | 19 | 0.142 | 6,68,690 | 0.410 |
| 40,001 - 50,000 | | 13 | 0.097 | 6,08,020 | 0.372 |
| 50,001 - 1,00,000 | | 34 | 0.255 | 23,07,530 | 1.413 |
| 1,00,000 and above | | 45 | 0.337 | 14,87,17,960 | 91.089 |
| TOTAL | | 13,339 | 100.00 | 16,32,67,420 | 100.00 |

Distribution of Shareholding as on 31st March, 2019

| Category | No of Shares | Percentage % |
|---|-----------------|---------------|
| Promoters Holding | 9217166 | 56.45 |
| Financial Institutions/Bank/Mutual Fund | 15606 | 0.10 |
| Private Body Corporate | 4599110 | 28.17 |
| Individuals | 2155544 | 13.20 |
| NRI's/Clearing Member | 339316 | 2.08 |
| Total | 16326742 | 100.00 |

(xi) Dematerialisation of Share and Liquidity:

| Share Capital | No of shares | Percentage % |
|--|--------------------|----------------|
| Total Capital | 1,63,26,742 | 100.00% |
| Listed Capital | 1,63,26,742 | 100.00% |
| Held in Dematerialized Form | | |
| Central Depository Services (India) Limited (CDSL) | 6416935 | 39.30% |
| National Securities Depository Limited (NSDL) | 9537915 | 58.42% |
| Held in Physical Form | 371892 | 2.28% |
| Total | 1,63,26,742 | 100.00% |

(xii) Lock in details of Shares:

| Name of the Shareholder | No of Shares under Lock-in | Lock in From | Lock in upto |
|--------------------------|----------------------------|--------------|--------------|
| 1. NOT APPLICABLE | NIL | NIL | NIL |

(xiii) Registered Office & Corporate Office:
Registered Office:

101, 1st Floor, "Mangal Disha",
Near Guru Gangeswar Temple, 6th Road,
Khar (West), Mumbai-400052,
Maharashtra, (India)

Corporate Office:

5th Floor, 508-509, "SHILP" Building,
Opp: Girish Cold Drinks, C.G.Road,
Navrangpura, Ahmedabad-380009,
Gujarat, (India)

(xiv) Investor Correspondence:

All enquiries, clarification and correspondence should be addressed to the Company Secretary and Compliance Officer:-

Mr. Nitin S. Shah :
Metroglobal Limited,
808-809, "SHILP" Building, 8th Floor, Opp: Girish Cold Drinks, C.G.Road, Navrangpura,
Ahmedabad-380009
Email ID: nitin.shah@metroglobal.in

12. SECRETARIAL AUDIT REPORT:

A qualified practicing Company Secretary carried out secretarial audit of the Company. The Secretarial audit report confirmed that the total issued / paid-up capital was in agreement with the aggregate of the total number of shares in physical form and the total number of dematerialized shares held with NSDL and CDSL.

13. CEO/CFO CERTIFICATION :
Managing Director (CEO) and Chief Finance Officer (CFO) Certification

We Gautam M. Jain, Chairman & Managing Director and Nitin S Shah, Company Secretary & CFO (Finance) of Metroglobal Limited, to the best of our knowledge and belief, certify that :

1. We have reviewed the balance sheet as at 31st March, 2019 and Statement of Profit & Loss, and all its schedules and Notes on accounts, as well as the cash flow statement and the Director's Report for the year ended on that date;
2. Based on our knowledge and information, these statements do not contain any untrue statement of a material fact or omit to state a material fact or do not contain any statement that might be misleading;
3. Based on our knowledge and information, the financial statements, and other financial information included in this report, present in all material respects, a true and fair view of the Company's affairs, the financial condition, results of operations and cash flows of the Company as on, and for the year presented in this report and are in compliance with the existing accounting standards and /or applicable laws and regulations;

4. To the best of our knowledge and belief, no transaction entered into by the Company during the year are fraudulent, illegal or violative of the Company's code of conduct;
5. We are responsible for establishing and maintaining disclosure controls and procedures and internal controls over financial reporting for the Company, and we have;
 - a. evaluated the effectiveness of the Company's disclosure, controls and procedures pertaining to financial reporting;
 - b. disclosed in this report any change in the Company's internal controls over financial reporting that occurred during the Company's most recent accounting year that may have materially affected, or is reasonably likely to affect, the Company's internal control pertaining to financial reporting.
6. We have disclosed based on our most recent evaluation, wherever applicable, to the Company's auditors and the audit committee of the Company's Board of Directors;
 - a. Deficiencies in the design or operation of internal controls, which could adversely affect the Company's ability to record, process, summarize and report financial data and have identified for the Company's auditors, any material weakness in internal control over financial reporting including any corrective actions with regard to such deficiencies, if any;
 - b. Significant changes in internal controls during the year covered by this report, if any;
 - c. All significant changes in accounting policies during the year, if any and that the same have been disclosed in the notes to the financial statements;
 - d. No instances of significant fraud of which we are aware, involving management or other employees who have significant role in the Company's internal control system;
7. We further declare that all the Board Members and senior management personnel have affirmed compliance with the code of conduct during the year.

Place : Ahmedabad
Date : 30th May, 2019

Gautam M. Jain
Chairman & Managing Director
(DIN 00160167)

Nitin S. Shah
Company Secretary &
CFO (Finance)

14. UNCLAIMED DIVIDEND OF METROCHEM INDUSTRIES LIMITED (TRANSFEROR COMPANY)

Unclaimed Dividend: Under the Companies Act, 1956, dividends that are unclaimed for a period of seven years automatically get transferred to the Investor Education and Protection Fund administered by the Central Government.

Following tables give information relating to outstanding dividend accounts and dates when due for transfer to IEPF.

DATES WHEN UNCLAIMED DIVIDEND TO BE TRANSFERRED TO THE INVESTOR EDUCATION AND PROTECTION FUND (IEPF) OF CENTRAL GOVT.

| Year | Type | Date of declaration | Date of proposed transfer to IEPF of Central Government |
|---------|-------|---------------------|---|
| 2011-12 | FINAL | 29-Sep-2012 | 28-Oct-2019 |

15. COMPLIANCE CERTIFICATE FROM THE AUDITORS OF THE COMPANY

Certificate from M/s AMPAC & Associates, Chartered Accountants, confirming compliance with the conditions of Corporate Governance as stipulated as per the provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015 is annexed to this report forming part of the Annual Report.

For and on behalf of the Board
Sd/-

Place : Ahmedabad
Date : 30th May, 2019

Gautam M. Jain
Chairman & Managing Director
(DIN 00160167)

AUDITOR'S CERTIFICATE

To
The Members of
MetroGlobal Limited

We have examined the compliance of conditions of Corporate Governance by METROGLOBAL LIMITED for the year ended on March 31, 2019 as per the provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015 ("Listing Regulation") as applicable for the Financial year ended 31st March, 2019.

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was carried out in accordance with the Guidance Note on Certification of Corporate Governance issued by the Institute of Chartered Accountants of India and was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial Statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, and based on the representations made by the Directors and the Management, we certify that the Company complied with the conditions of Corporate Governance as stipulated in SEBI listing Regulations, 2015.

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

For, M/s AMPAC & Associates,
CHARTERED ACCOUNTANTS
Firm Registration No.112236w

Mumbai
Date: 30-05-2019

Piyush B. Sheth
(Partner)
Membership NO: 44062

CERTIFICATE RELATING TO NON-DISQUALIFICATION OF DIRECTORS

To,
The Members,
MetroGlobal Limited,
101, 1st Floor, "Mangal Disha",
Nr.Guru Gangeshwar Temple,
6th Road, Khar (West),
Mumbai-400052

Based on our verification of the declarations provided to MetroGlobal Limited (herein after referred to as 'the Company') by the Directors (as enlisted in Table A) and the documents and details available on the website of the Ministry of Corporate Affairs, BSE Limited and publicly available details of cases/litigations filed against any individuals as on May 30, 2019, we hereby certify that in our opinion, the Directors of the Company (as enlisted in Table A) are neither debarred nor disqualified from being appointed or continuing as directors of the Companies by the Securities and Exchange Board of India or Ministry of Corporate Affairs or any such statutory authorities.

We have followed processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the declarations. We believe that the processes and practices, we followed provide a reasonable basis for our certification.

Table A

| Sr. No. | Name of the Directors | Director Identification Number |
|------------|--------------------------|--------------------------------|
| 1. | Mr. Gautam M. Jain | 00160167 |
| 2. | Mr. Rahul G. Jain | 01813781 |
| 3. | Mr. Sandip S. Bhandari | 01379445 |
| 4. | Mr. Nilesh R. Desai | 00414747 |
| 5. | Mr. Prashant M. Kheskani | 02589654 |
| 6. | Mrs. Krati R. Jain | 07150442 |

CS Jignesh A. Shah
Company Secretary

Place : Ahmedabad
Date : 30th May, 2019

M. No ACS 21389
COP No. 12140

ANNEXURE-3 Corporate Social Responsibility (CSR)

[Pursuant to clause (o) of sub-section (3) of section 134 of the Act and Rule 9 of the Companies (Corporate Social Responsibility) Rules, 2014]

1. A brief outline of the Company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs.
 - i. The CSR activities shall be undertaken by **METROGLOBAL LIMITED** as stated in this policy, as projects or programs or activities excluding activities undertaken in pursuance of its normal course of business.
 - ii. The CSR activities which are exclusively for the benefit of **METROGLOBAL LIMITED** employees or their family members shall not considered as CSR activity.
 - iii. **METROGLOBAL LIMITED** shall give preference to the local area or areas around it where it operates, for spending the amount earmarked for CSR activities.
 - iv. The Board of **METROGLOBAL LIMITED** may decide to undertake its CSR activities as recommended by the CSR committee, through a registered trust or a registered society or a company established by the company or its holding company or subsidiary company pursuant to Section 135 of the Companies Act, 2013 and rules made there under.

2. The Composition of the CSR Committee.

The Board of Directors of the Company had constituted a Corporate Social Responsibility Committee of the Board ("CSR Committee") consisting of three directors.

1. Mr. Gautam M. Jain Chairman & Managing Director
2. Mr. Rahul G. Jain Executive Director
3. Mr. Nilesh R. Desai Independent Director

3. Average net profit of the company for last three financial years

| Financial Year | Net Profit ` in lacs |
|----------------|----------------------|
| 2015-16 | 2190.05 |
| 2016-17 | 1561.61 |
| 2017-18 | 1780.07 |
| | 5531.73/3 |
| | Divided by 3 (three) |
| | 1843.91 |

4. Prescribed CSR Expenditure (two per cent of the amount as in item 3 above)

Rs.1843.91 lacs @ 2% of 36.88 lacs

5. Details of CSR spent during the financial year.

(a) Total amount spent for the financial year : Rs.130.31 lacs

(b) Amount unspent during preceding three financial years : Rs.30.89 lacs

(c) Manner in which the amount spent during the financial year is detailed below.

| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 |
|--------|----------------------|------------------------------|---------------|-------------|-----------------------------|----------------|---|
| Sr. No | CSR Project | Sector in Project is covered | Projects Area | Amount Rs. | Amount Spent in project Rs. | Cumulative Rs. | Implementing Agency |
| 1 | Education and Health | Education and Health | Ahmedabad | 10600000/- | 10600000/- | 10600000/- | Jain JITO Administrative Training Foundation Ad |
| 2 | Rehabilitation aids | Rehabilitation aids | Ahmedabad | 2,00,000/- | 2,00,000/- | 2,00,000/- | Lions Klub of Karnavati |
| 3 | Medical Aids | Medical Aids | Ahmedabad | 1100000/- | 1100000/- | 1100000/- | The Gujarat Research & Medical Istitute |
| 4 | Medical Aids | Medical Aids | Ahmedabad | 4,00,000/- | 4,00,000/- | 4,00,000/- | Jain International Organisation |
| 5 | Medical Aids | Medical Aids | Ahmedabad | 100000/- | 100000/- | 100000/- | Tulsi Vallabh Nidhi |
| 6 | Education and Health | Education and Health | Ahmedabad | 6,00,000/- | 6,00,000/- | 6,00,000/- | Prakrit Bharti Acadamy |
| 7 | Education and Health | Education and Health | Ahmedabad | 31,000/- | 31,000/- | 31,000/- | Chandmuni Maharaj Saheb Charitable Trust |
| Total | | | | 130,31000/- | 130,31000/- | 130,31000/- | |

6. In case the Company has failed to spend the two per cent of the average net profit of the last three financial years or any part thereof
7. Company has Spent excess amount of Rs. 62.54 lacs during 2018-19.
8. A responsibility statement of the CSR Committee that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the Company

Place : Ahmedabad
Date : 30th May, 2019

Nilesh R. Desai
(Director)

Gautam M. Jain
(Chairman CSR Committee)

AOC-2

FORM FOR DISCLOSURE OF PARTICULARS OF CONTRACTS/ARRANGEMENTS ENTERED INTO BY THE COMPANY WITH RELATED PARTIES REFERRED TO IN SUB-SECTION (1) OF SECTION 188 OF COMPANIES ACT, 2013 INCLUDING CERTAIN ARM-LENGTH TRANSACTIONS
DETAILS OF CONTRACT AND ARRANGEMENT.

| Sr. Particulars No. | Details |
|---|---|
| a) Name (s) of the related party & nature of relationship | Mr. Gautam M. Jain (Self) |
| b) Nature of contracts/arrangements/ transaction | Mr. Guatam M. Jain has been paid the Rent for the Corporate Office of the Company. |
| c) Duration of the contracts/arrangements/ transaction | Rent Contract is renewed every year. |
| d) Salient terms of the contracts or arrangements or transaction including the value, if any | Not Applicable |
| e) Justification for entering into such contracts or arrangements or transactions' | From 1 st April, 2014, the Companies Act, 2013 has been implemented and made effective and as per Provisions of Section 188 of Companies Act, 2013. Your Company has been using the Premises owned by Mr. Gautam M. Jain (Managing Director having DIN 0160167). The said Offices are located at the Prime Location of Ahmedabad i.e. Navrangpura, C.G. Road. The Company has been using the said Property as a Corporate Office where all the Statutory, Commercial and Administrative Functions are being performed and all the Business of the Company has been handled from the Corporate Office. As such to pay the rent to Mr. Gautam M. Jain, Owner of the Property and being Managing Director of the Company, requires your approval by way of the Special Resolution. The Board confirms that the rent being paid is at prevailing market trend. |
| f) Date of approval by the Board | 1 st November, 2013 |
| g) Amount paid as advances, if any | Not Applicable |
| h) Date on which the special resolution was passed in General meeting as required under Members Approval Obtained. first proviso to section 188 | 30/09/2014 (MGT-14 to this effect is filled) |

The Transactions are at the Arm Length Prices

2. Details of contracts or arrangements or transactions at Arm's length basis.

| Sr. Particulars No. | Details |
|--|-------------------------------------|
| a) Name (s) of the related party & nature of relationship | Mr. Gautam M. Jain (Self) |
| b) Nature of contracts/arrangements/transaction | Rent Contract |
| c) Duration of the contracts/arrangements/ transaction | Rent Contract is renewed every year |
| d) Salient terms of the contracts or arrangements or transaction including the value, if any | Not Applicable |
| e) Date of approval by the Board | 1st November, 2013 |
| f) Amount paid as advances, if any | Not Applicable |

Note :- The Amounts paid to the related Party are justifiable in line with their functions and Transactions are at Arm Length Prices.

ANNEXURE-4
EXTRACT OF ANNUAL RETURN as on financial year ended on 31st MARCH, 2019
Form No. MGT-9
EXTRACT OF ANNUAL RETURN
as on the financial year ended on 31-03-2019

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

I. REGISTRATION AND OTHER DETAILS:

| | | |
|------|--|---|
| i) | CIN:- | L21010MH1992PLC069527 |
| ii) | Registration Date :- | 12-11-1992 |
| iii) | Name of the Company: | METROGLOBAL LIMITED |
| iv) | Category/Sub-Category of the Company: | Public Limited Company |
| v) | Address of the Registered office and : contact details | 101, 1 st Floor, "Mangal Disha", Near Guru Gangeswar Temple, 6 th Road, Khar (West), Mumbai-400052, Maharashtra, (India) |
| vi) | Whether listed company Yes/No : | YES with BSE - Scrip Code : 500159 |
| vii) | Name, Address and Contact details of Registrar and Transfer Agent, if any | MetroGlobal Limited (CIN No: 21010MH1992PLC069527) Sharex Dynamic (India) Pvt.Ltd. UC-101, 247 Park, LBS Marg, Vikhroli West, Mumbai-400083 |

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY:

| Sr. No. | Name and description of main products /services | NIC code of the product/ service | % of total turnover of the company |
|---------|---|---|------------------------------------|
| 1. | Dyes Intermediates and other products | N.A. as Company is engaged in Trading Activities i.e. Textiles, Castrol Oil and Precious Metals | 100% |

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

| Sr. No. | Name and Address of the Company | CIN/GLN | Holding/ Subsidiary/ Associate | % of shares held | Applicable Section |
|---------|-----------------------------------|-----------------------|--------------------------------|------------------|--------------------|
| 1 | Metrochem Capital Trust Limited | L65910GJ1984PLC007181 | SUBSIDIARY | 78.37% | 2 (87) |
| 2 | Rian Chemicals Private Limited | U24100GJ2014PTC080012 | ASSOCIATE | 45% | 2 (6) |
| 3 | D.K. Metro Procon Private Limited | U45201GJ2011PTC065348 | ASSOCIATE | 45% | 2 (6) |
| 4 | Dual Metals Private Limited | U27205GJ2008PTC055433 | ASSOCIATE | 45% | 2 (6) |
| 5 | Myspace Infracon LLP | AAH 1918 | ASSOCIATE | 25% | 2 (6) |
| 6 | Metro Apptech LLP | AAL 3448 | SUBSIDIARY | 80% | 2 (87) |

IV. Shareholding Pattern

i) Category-wise Share Holding

| Category of Shareholders | No. of Shares held at the beginning of the year 1.4.2018 | | | | No. of Shares held at the end of the year 31.3.2019 | | | | % Change during the year |
|--|--|----------|---------|-------------------|---|----------|---------|-------------------|--------------------------|
| | Demat | Physical | Total | % of Total Shares | Demat | Physical | Total | % of Total Shares | |
| A. PROMOTER'S | | | | | | | | | |
| (1) INDIAN | | | | | | | | | |
| (a) individual | 1233677 | 0 | 1233677 | 7.556 | 1233677 | 0 | 1233677 | 7.556 | 0 |
| (b) Central Govt. | | | | | | | | | |
| (c) State Govt(s). | 0 | 0 | 0 | | 0 | 0 | 0 | | 0 |
| (d) Bodies Corpp. | 8450249 | 0 | 8450249 | 51.757 | 7983489 | 0 | 7983489 | 48.898 | -2.859 |
| (e) FIINS / BANKS. | 0 | 0 | 0 | | 0 | 0 | 0 | | 0 |
| (f) Any Other | | 0 | | | | 0 | | | 0 |
| Sub-total (A) (1):- | 9683926 | 0 | 9683926 | 59.313 | 9217166 | 0 | 9217166 | 56.454 | -2.859 |
| (2) FOREIGN | | | | | | | | | |
| (a) Individual NRI / For Ind | 0 | 0 | 0 | | 0 | 0 | 0 | | 0 |
| (b) Other Individual | | | | | | | | | |
| (c) Bodies Corporates | 0 | 0 | 0 | | 0 | 0 | 0 | | 0 |
| (d) Banks / FI | 0 | 0 | 0 | | 0 | 0 | 0 | | 0 |
| (e) Qualified Foreign Investor | 0 | 0 | 0 | | 0 | 0 | 0 | | 0 |
| (f) Any Other Specify | 0 | 0 | 0 | | 0 | 0 | 0 | | 0 |
| Sub-total (A) (2):- | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Total shareholding of Promoter (A) = (A)(1)+(A)(2) | 9683926 | 0 | 9683926 | 59.313 | 9217166 | 0 | 9217166 | 56.454 | -2.859 |
| (B) PUBLIC SHAREHOLDING | | | | | | | | | |
| (a) Mutual Funds | 55 | 413 | 468 | 0.003 | 55 | 413 | 468 | 0.003 | 0.000 |
| (b) Banks / FI | 7600 | 106 | 7706 | 0.047 | 7600 | 106 | 7706 | 0.047 | 0.000 |
| (c) Central Govt. | 732 | 0 | 732 | 0.004 | 732 | 0 | 732 | 0.004 | 0.000 |
| (d) State Govt. | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| (e) Venture Capital Funds | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| (f) Insurance Companies | 6700 | 0 | 6700 | 0.041 | 6700 | 0 | 6700 | 0.041 | 0.000 |
| (g) FIs | 0 | 1142 | 1142 | 0.007 | 0 | 1142 | 1142 | 0.007 | 0.000 |
| (h) Foreign Venture Capital Funds | 0 | 0 | 0 | | 0 | 0 | 0 | | 0 |
| (i) Others (specify) | 0 | 0 | 0 | | 0 | 0 | 0 | | 0 |
| Sub-total (B)(1):- | 15087 | 1661 | 16748 | 0.102 | 15087 | 1661 | 16748 | 0.102 | 0 |
| 2. Non-Institutions | | | | | | | | | |
| (a) BODIES CORP. | | | | | | | | | |
| (i) Indian | 4103788 | 14766 | 4118554 | 25.226 | 4584554 | 14666 | 4599220 | 28.170 | 2.944 |
| (ii) Overseas | | | | | | | | | |
| (b) Individuals | | | | | | | | | |
| (i) Individual shareholders holding nominal share capital upto Rs. 1 lakh | 1040514 | 347417 | 1387931 | 8.501 | 1021145 | 341191 | 1362336 | 8.344 | -0.157 |
| (ii) Individual shareholders holding nominal share capital in excess of Rs. 1 lakh | 774839 | 0 | 774839 | 4.746 | 777763 | 0 | 777763 | 4.764 | 0.018 |

| | | | | | | | | | |
|--|----------|--------|----------|--------|----------|--------|----------|--------|--------|
| (c) Other (specify) | | | | | | | | | |
| Non Resident Indians | 288971 | 182 | 289153 | 1.771 | 285299 | 182 | 285481 | 1.749 | -0.022 |
| Overseas Corporate Bodies | 0 | 14192 | 14192 | 0.087 | 0 | 14192 | 14192 | 0.087 | 0 |
| Foreign Nationals | | 0 | | | | 0 | | | 0 |
| Clearing Members | 41399 | 0 | 41399 | 0.254 | 53836 | 0 | 53836 | 0.33 | 0.076 |
| Trusts | | 0 | | | | 0 | | | 0 |
| Foreign Boodies - D R | | 0 | | | | 0 | | | 0 |
| Sub-total (B)(2):- | 6249511 | 376557 | 6626068 | 40.585 | 6722597 | 370231 | 7092828 | 43.444 | 2.859 |
| Total Public Shareholding (B)=(B)(1)+ (B)(2) | 6264598 | 378218 | 6642816 | 40.687 | 6737684 | 371892 | 7109576 | 43.546 | 2.859 |
| C. Shares held by Custodian for GDRs & ADRs | | | | | | | | | 0.00 |
| Grand Total (A+B+C) | 15948524 | 378218 | 16326742 | 100.00 | 15954850 | 371892 | 16326742 | 100.00 | 0 |

(ii) Shareholding of Promoters

| Sr. No. | Shareholder's Name | Shareholding at the beginning of the year 1.4.2018 | | | Share holding at the end of the year 31.3.2019 | | | % change in share holding during the year |
|---------|---------------------------------------|--|----------------------------------|--|--|----------------------------------|--|---|
| | | No. of Shares | % of total Shares of the company | % of Shares Pledged / encumbered to total shares | No. of Shares | % of total Shares of the company | % of Shares Pledged / encumbered to total shares | |
| 1 | Maiden Tradefin Pvt Ltd | 4525251 | 27.717 | 0 | 4525251 | 27.717 | 0 | 0 |
| 2 | Anil Dyechem Industries P L | 2871176 | 17.586 | 0 | 2892082 | 17.714 | 0 | 0.128 |
| 3 | Gautamkumar Mithalal Jain | 1061959 | 6.504 | 0 | 1061959 | 6.504 | 0 | 0 |
| 4 | Amaze Trading and Investment Pvt Ltd | 566156 | 3.468 | 0 | 566156 | 3.468 | 0 | 0 |
| 5 | Spring Trading and Investment Pvt Ltd | 487666 | 2.987 | 0 | 487666 | 2.987 | 0 | 0 |
| 6 | Rahul Gautamkumar Jain | 74818 | 0.458 | 0 | 74818 | 0.458 | 0 | 0 |
| 7 | Ritu G. Jain | 64000 | 0.392 | 0 | 64000 | 0.392 | 0 | 0 |
| 8 | Gautamkumar Mithalal HUF | 32900 | 0.202 | 0 | 32900 | 0.202 | 0 | 0 |

(iii) Change in Promoters' Shareholding (please specify, if there is no change)

| Sl No. Shareholder's Name | Shareholding at the beginning of the year 01/04/2018 | | Date | Increasing / Decreasing in shareholding | Reason | Share holding at the end of the Year 31/03/2019 | |
|--|--|----------------------------------|------------|---|--------|---|----------------------------------|
| | No. of Shares at the beginning (01-04-2018) / end of the year (31-03-2019) | % of total Shares of the company | | | | No. of Shares | % of total Shares of the company |
| 1 Anil Dyechem Industries Pvt. Ltd. | 2871176 | 17.586 | 01-04-2018 | | | | |
| | | | 06-04-2018 | 200 | Buy | 2871376 | 17.587 |
| | | | 27-04-2018 | 4339 | Buy | 2875715 | 17.614 |
| | | | 04-05-2018 | 2151 | Buy | 2877866 | 17.627 |
| | | | 11-05-2018 | 2134 | Buy | 2880000 | 17.64 |
| | | | 18-05-2018 | 619 | Buy | 2880619 | 17.644 |
| | | | 01-06-2018 | 5671 | Buy | 2886290 | 17.678 |
| | | | 08-06-2018 | 2 | Buy | 2886292 | 17.678 |
| | | | 15-06-2018 | 4198 | Buy | 2890490 | 17.704 |
| | | | 06-07-2018 | 1807 | Buy | 2892297 | 17.715 |
| | | | 13-07-2018 | 14 | Buy | 2892311 | 17.715 |
| | | | 20-07-2018 | 24 | Buy | 2892335 | 17.715 |
| | | | 17-08-2018 | 2 | Buy | 2892337 | 17.715 |
| | | | 02-11-2018 | -264 | Sold | 2892073 | 17.714 |
| | | | 25-01-2019 | 9 | Buy | 2892082 | 17.714 |
| -Closing Balance | | | 31-03-2019 | | | 2892082 | 17.714 |

(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

| SI No. | Shareholder's Name | Shareholding at the beginning of the year 01/04/2018 | | Date | Increasing / Decreasing in shareholding | Reason | Share holding at the end of the Year 31/03/2019 | |
|--------|--|--|----------------------------------|------------|---|-----------|---|----------------------------------|
| | | No. of Shares at the beginning (01-04-2017) / end of the year (31-03-2018) | % of total Shares of the company | | | | No. of Shares | % of total Shares of the company |
| 1 | Megha Biotech Pvt. Ltd. | 2705667 | 16.572 | 31-03-2018 | | | | |
| | | | | 02-11-2018 | -220 | Sold | 2705447 | 16.571 |
| | -Closing Balance | | | 31-03-2019 | | | 2705447 | 16.571 |
| 2 | Worship Trading and Investment Pvt. Ltd. | 626736 | 3.839 | 31-03-2018 | | | | |
| | -Closing Balance | | | 31-03-2019 | | No Change | 626736 | 3.839 |
| 3 | Navkar Synthchem Pvt. Ltd. | 535512 | 3.280 | 01-04-2018 | | | | |
| | | | | 04-05-2018 | -200 | Sold | 535312 | 3.279 |
| | | | | 11-05-2018 | -10 | Sold | 535302 | 3.279 |
| | | | | 17-08-2018 | -320 | Sold | 534982 | 3.277 |
| | | | | 14-09-2018 | -3302 | Sold | 531680 | 3.256 |
| | | | | 21-09-2018 | -202 | Sold | 531478 | 3.255 |
| | | | | 15-03-2019 | -1502 | Sold | 529976 | 3.246 |
| | | | | 22-03-2019 | -2000 | Sold | 527976 | 3.234 |
| | | | | 29-03-2019 | -1000 | Sold | 526976 | 3.228 |
| | -Closing Balance | | | 31-03-2018 | | | 526976 | 3.228 |
| 4 | Alankar Mahendra Lodha | 276000 | 1.690 | 31-03-2018 | | | | |
| | -Closing Balance | | | 31-03-2019 | | No Change | 276000 | 1.690 |
| 5 | Baroda Brokers Pvt. Ltd. | 141980 | 0.870 | 31-03-2018 | | | | |
| | -Closing Balance | | | 31-03-2019 | | No Change | 141980 | 0.870 |
| 6 | SUBRAMANIAN P | 127638 | 0.782 | 31-03-2018 | | | | |
| | -Closing Balance | | | 31-03-2019 | | | 127638 | 0.782 |
| 7 | Sandip V. Parikh | 69680 | 0.427 | 31-03-2018 | | | | |
| | | | | 29-03-2019 | -2251 | Sold | 67429 | 0.413 |
| | -Closing Balance | | | 31-03-2019 | | | 67429 | 0.413 |
| 8 | Javerilal G. Oswal | 56781 | 0.348 | 01-04-2018 | | | | |
| | -Closing Balance | | | 31-03-2019 | | No Change | 56781 | 0.348 |
| 9 | Suhani M. Shah | 49370 | 0.302 | 01-04-2018 | | | | |
| | -Closing Balance | | | 31-03-2019 | | No Change | 49370 | 0.302 |
| 10 | Misaal M. Shah | 46097 | 0.282 | 01-04-2018 | | | | |
| | -Closing Balance | | | 31-03-2019 | | No Change | 46097 | 0.282 |

(v) Shareholding of Directors and Key Managerial Personnel:

| SI No. | Name of the Director/ Key Managerial Personnel | Shareholding at the beginning of the year | | Change in the shareholding | | Share holding at the end of the Year | |
|--------|--|---|----------------------------------|----------------------------|----------|--------------------------------------|----------------------------------|
| | | No. of Shares | % of total Shares of the company | Increase | Decrease | No. of Shares | % of total Shares of the company |
| 1. | Gautam Mithalal Jain | 10,61,959 | 6.504 | NIL | NIL | 10,61,959 | 6.504 |
| 2. | Rahul Gautam Jain | 74,818 | 0.458 | NIL | NIL | 74,818 | 0.458 |
| 3. | Nitinkumar Shantilal Shah | 1 | 0.000 | NIL | NIL | 1 | 0.000 |

V. INDEBTEDNESS

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

(Rs. in Lacs)

| | Secured Loans Excluding Deposits | Unsecured Loans | Deposits | Total Indebtedness |
|--|--|--------------------|----------|-----------------------|
| Indebtedness at the beginning of the financial year | | | | |
| i) Principal Amount | 2664.69 | 4158.41 | - | 6823.10 |
| ii) Interest due but not paid | - | - | - | - |
| iii) Interest accrued but not due | - | - | - | - |
| Total (i+ii+iii) | 2664.69 | 4158.41 | - | 6823.10 |
| Change in Indebtedness during the financial year | | | | |
| · Addition | - | - | - | - |
| · Reduction | (1134.82) | (2459.80) | - | (3594.62) |
| Net Change | (1134.82) | (2459.80) | - | (3594.62) |
| Indebtedness at the end of the financial year | | | | |
| i) Principal Amount | 1529.87 | 1698.61 | - | 3228.48 |
| ii) Interest due but not paid | - | - | - | - |
| iii) Interest accrued but not due | - | - | - | - |
| Total (i+ii+iii) | 1529.87 | 1698.61 | - | 3228.48 |

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL
A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

| Sl. no | Particulars of Remuneration | Name of the CMD / WT Director/Women Director | | | Total Amount (Rs.) |
|--------|---|---|---------------------|-----------------------|-----------------------|
| | | Mr. Gautam M.Jain | Mr. Rahul G.Jain | Mrs. Krati R. Jain | |
| 1 | Gross salary | (Rs.) | (Rs.) | (Rs.) | |
| | (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 | 7,98,000 | 5,82,000 | 1,44,000 | 15,24,000 |
| | (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 | 41,52,000 | 31,68,000 | 1,53,000 | 74,73,000 |
| | (c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961 | - | - | - | - |
| 2 | Stock Option | - | - | - | - |
| 3 | Sweat Equity | - | - | - | - |
| 4 | Commission | - | - | - | - |
| | - as % of profit | | | | |
| | - others, specify... | | | | |
| 5 | Others, please specify | - | - | - | - |
| | Total (A) | 49,50,000 | 37,50,000 | 2,97,000 | 89,97,000 |
| | Ceiling as per the Act | | | | |

B. Remuneration to other directors:

| Sl. no. | Particulars of Remuneration | Name of Directors Manager | Total Amount |
|---------|--|---------------------------|--------------|
| 1. | Independent Directors | | |
| | • Fee for attending board / committee meetings | - | - |
| | • Commission | - | - |
| | • Others, please specify | - | - |
| | Total (1) | - | - |
| 2. | Other Non-Executive Directors | | |
| | • Fee for attending board / committee meetings | - | - |
| | • Commission | - | - |
| | • Others, please specify | - | - |
| | Total (2) | - | - |
| | Total (B)=(1+2) | - | - |
| | Total Managerial Remuneration | - | - |
| | Overall Ceiling as per the Act | - | - |

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD

| Particulars of Remuneration | | Key Managerial Personnel | |
|-----------------------------|---|---|----------------|
| | | Mr. Nitin S. Shah CFO & Company Secretary | Total (Rs.) |
| 1 | Gross salary | 3,60,000 | 3,60,000 |
| | (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 | | |
| | (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 | 3,42,000 | 3,42,000 |
| | (c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961 | | |
| 2 | Stock Option | - | - |
| 3 | Sweat Equity | - | - |
| 4 | Commission | - | - |
| | - as % of profit | | |
| | - others, specify... | | |
| | Others, please specify | - | - |
| | Total | 7,02,000 | 7,02,000 |

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

| Type | Section of the Companies Act | Brief Description | Details of Penalty / Punishment/ Compounding fees imposed | Authority [RD / NCLT / COURT] | Appeal made, if any (give Details) |
|---------------------------------------|------------------------------|-------------------|---|-------------------------------|------------------------------------|
| A. COMPANY : | NA | | | | |
| Penalty | | | | | |
| Punishment | | | | | |
| Compounding | | | | | |
| B. DIRECTORS : | | | | | |
| Penalty | | | | | |
| Punishment | | | | | |
| Compounding | | | | | |
| C. OTHER OFFICERS IN DEFAULT : | | | | | |
| Penalty | | | | | |
| Punishment | | | | | |
| Compounding | | | | | |

ANNEXURE-5**POLICY ON DIRECTORS APPOINTMENT AND REMUNERATION****REMUNERATION POLICY**

In accordance with the provisions of section 178 (3) of the Companies Act, 2013, the Nomination and Remuneration Committee recommended the following remuneration policy relating to the remuneration for the Directors, Key Managerial Personnel and other employees, which was approved and adopted by the Board.

I. PREAMBLE

This remuneration policy is formulated in compliance with section 178 of the Companies Act, 2013 and SEBI (Listing Obligations & disclosure Requirements) regulations, 2015 as amended from time to time. This policy has formulated by the Nomination and Remuneration Committee (NRC) and has been approved by the Board of Directors based on recommendation of Nomination and Remuneration Committee (NRC).

II. OBJECTIVE

The Objective of the policy is to ensure that:

- (i) The level of composition of remuneration is reasonable.
- (ii) Relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
- (iii) Remuneration to the Directors, Key Managerial Personnel and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals.

III. COMPLIANCE WITH APPLICABLE LAWS

The procedure and limits for payment of remuneration under this policy shall be in accordance with provisions of

- (a) Companies Act, 2013
- (b) Provisions of SEBI (Listing Obligations & disclosure Requirements) regulations, 2015
- (c) Articles of Association of the Company and
- (d) Any other applicable law or regulations.

In the absence of any of the above provisions, the procedure and limits governed by the prevailing HR policy of the Company.

IV. REMUNERATION TO NON –EXECUTIVE DIRECTORS

Sitting fees within the limits prescribed under the Companies Act, 2013 and rules framed there under for attending meeting of board and committees thereof.

V. REMUNERATION TO KEY MANAGERIAL PERSONNEL AND SENIOR MANAGEMENT

Remuneration to, Key Managerial Personnel and senior management involves balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company and its goals.

VI. REMUNERATION TO OTHER EMPLOYEES**Components**

Basic Salary, Allowances, Retirement benefits, such other perquisites and/or incentives and/or bonus and/or Variable incentive pay based on the factors as above, as may be decided by the management from time to time as per HR policy.

CRITERIA FOR REMUNERATION OF PERSONS FOR APPOINTMENT AS DIRECTORS AND IN SENIOR MANAGEMENT

In accordance with the provisions of section 178 (3) of the Companies Act, 2013 read with Provisions of SEBI (Listing Obligations & disclosure Requirements) regulations, 2015, the Nomination and Remuneration Committee is required to formulate the criteria for determining qualifications, positive attributes and independence of Director. The Criteria adopted by the Nomination and Remuneration Committee for the aforesaid purpose are as under.

Qualifications:

- (a) He/She should possess appropriate skills, experience and knowledge in more fields of finance, law, management, sales, marketing, administration, research, taxation, corporate governance, technical operations or other disciplines related to the company's business.
- (b) Such qualification as may be prescribed under the Companies Act, 2013 read with Provisions of SEBI (Listing Obligations & disclosure Requirements) regulations, 2015.

ANNEXURE-6**Form No. MR-3****SECRETARIAL AUDIT REPORT**

FOR THE FINANCIAL YEAR ENDED ON 31/03/2019

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

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED ON 31/03/2019

To,
The Members,
Metroglobal Limited

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

Based on my/our verification of the **METROGLOBAL LIMITED** 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/We hereby report that in my/our opinion, the company has, during the audit period covering the financial year ended on 31/03/2019 complied with the statutory provisions listed hereunder and also that the Company has by enlarge and in general proper Board-processes and compliance- mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I/we have examined the books, papers, minute books, forms and returns filed and other records maintained by **METROGLOBAL LIMITED** ("the Company") for the financial year ended on **31/03/2019** according to the provisions of:

- I. The Companies Act, 2013 (the Act) and the rules made there under;
- II. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- III. The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- IV. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; **(The Company does not have ECB)**
- 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, 1992; and The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 notified with effect from May 15, 2015;
 - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; **(Not applicable to the Company during the Audit Period)**
 - d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; **(Not applicable to the Company during the Audit Period);**
 - e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **(Not applicable to the Company during the Audit Period)**
 - f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; **(Not applicable to the Company during the Audit Period)** and
 - h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; **(See our Observations)**
 - i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 notified with effect from December 1, 2015.

VI. Other laws as may be applicable specifically to the company as per **ANNEXURE I**

I HAVE ALSO EXAMINED COMPLIANCE WITH THE APPLICABLE CLAUSES OF THE FOLLOWING:

- a. Secretarial Standards issued by The Institute of Company Secretaries of India (Which is notified w.e.f. 1st July, 2015)*.

- b. The Listing Agreements entered into by the Company with Bombay Stock Exchange(s) as per revised norms till date,

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

I further report that

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

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

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

The Compliance by the Company of applicable financial laws, like direct and indirect tax laws, has not been reviewed in this Audit since the same have been subject to review by statutory financial auditor and other designated professionals.

Based on the information provided by the Company, its officers and authorized representatives during the conduct of the audit, in my opinion, adequate systems and processes and control mechanism exist in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations, standards and guidelines and general laws like various labour laws, and other laws as stated.

CS Jignesh A. Shah
Company Secretary

Place : Ahmedabad
Date : 30th May, 2019

M. No ACS 21389
COP No. 12140

Annexure I

Management has identified and confirmed the following laws as specifically applicable to the Company.

- Labour Laws Like P.F, Gratuity, ESIC, Payment of Bonus Act
- Prevention of Sexual Abuse.
- Taxation Laws
- GST
- Gujarat and Maharashtra Stamp Act
- Indian Stamp Act
- Laws of Registration
- Negotiable Instrument Act
- Law Relation to Transfer of Property
- Indian Registration Act
- Shops and Establishment Act
- Professional Tax
- Indian Contract Act
- And other laws as may be applicable from time to time

During the period under review the Company has generally complied with the all material aspects of applicable provisions of the Acts, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

*As per Information obtained The Secretarial Standards as issued by The Institute of Company Secretaries of India made applicable with effect from 1st July, 2015 and the same is implemented.

**The Company has 2 Executive Directors and 3 Non-Executive Directors and 1 Woman Non-executive Non-Independent Director. As per the explanation received from the Company the Board has appointed Mr. PRASHANT KHESKANI as Additional Director of the Company on 10/11/2018 and now the Board is of Optimum level. The Board has been advised to regularize the said appointment at the Coming AGM.

CS Jignesh A. Shah
Company Secretary

Place : Ahmedabad
Date : 30th May, 2019

M. No ACS 21389
COP No. 12140

Annexure II

To,
The Members
Metroglobal Limited

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

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

CS Jignesh A. Shah
Company Secretary

Place : Ahmedabad
Date : 30th May, 2019

M. No ACS 21389
COP No. 12140

Annexure III**Our Specific Observations and Remarks****Penal Proceedings**

- 1) As per the Information received, there has been no penalty or fine imposed by SEBI or ROC.

Buy Back of Shares

- 2) The Board vide its meeting dated 30/03/2019 resolved for the Buy-Back of the Shares and M/s Vivro Financial Services Private Limited has been appointed as the Manager to the Buy-Back & M/s Link Intime India Private Limited is the Registrar to the Buy Back.
- 3) The necessary disclosure as to Form MGT-14 in line with Section 179(3) and other disclosures like form SH-8 and SH-9 that is Letter of Offer & declaration of solvency have been filed.
- 4) The Buy-Back is below 10% of Paid Up Capital and Free Reserves.
- 5) The Completion of the Buy-Back of equity shares shall be in the Financial Year 2019-20.
- 6) The Limited Due-Diligence has been carried out by M/s Vivro Financial Services Private Limited in respect of Buy-Back of Shares.

CSR

- 7) The company has paid excess contribution towards CSR activities during the current Financial Year and same shall be carry forward as CSR contribution for the year 2019-20.

Notice Received from Bombay Stock Exchange.

- 8) The Company had received a notice from Bombay Stock Exchange for the Regulation of 17(1), 18(1) of SEBI LODR (Regulations), 2015 and the same was suitably replied accordingly, and the said reply has been taken on record by BSE.

Place : Ahmedabad
Date : 30th May, 2019

CS Jignesh A. Shah
Company Secretary

M. No ACS 21389
COP No. 12140

ANNEXURE - 7

Additional information on conservation of energy, technology absorption, foreign exchange earnings and outgo as required, to be disclosed in terms of section 134 of the Act, read with The Companies (Accounts) Rules.

A. CONSERVATION OF ENERGY

The Company is not in manufacturing segment.

Form A : Not Applicable

B. TECHNOLOGY ABSORPTION

Form B : Not Applicable

C. FOREIGN EXCHANGE EARNINGS AND OUTGO:

| | (` Lacs) | |
|-------------------------|----------------|----------------|
| | 2018-19 | 2017-18 |
| Outgo | | |
| Traded Goods | 120.70 | 188.58 |
| Foreign Travel Expenses | 18.89 | 28.65 |

FORM 'A'

Power and Fuel Consumption and Form 'B' Research and Development (R&D) is not applicable to the Company as Company has not manufacturing activities during the year under review.

ANNEXURE-8
Disclosure under Section 197 (12) and Rule 5 (1) of the Companies (Appointment and Remuneration of Managerial Personnel Rules, 2014).

1. Ratio of remuneration of each director to the median remuneration of the employees of the company for the financial year ended 31st March, 2019.

| Sr.No. | Director | Remuneration (Rs. in lacs) | Median Remuneration (Rs. in lacs) | Ratio |
|---------------|---------------------|---------------------------------------|--|--------------|
| 1 | Shri Gautam M. Jain | Rs. 7.98 | Rs. 2.02 | 3.96 times |
| 2 | Shri Rahul G. Jain | Rs. 5.82 | Rs. 2.02 | 2.88 times |
| 3 | Smt. Krati R. Jain | Rs. 1.44 | Rs. 2.02 | 0.71 times |

2. The percentage increase in remuneration of each Director, CFO, Company Secretary in the Financial Year.

| Sr. No. | Director | % Increase |
|----------------|--|-------------------|
| 1. | Shri Gautam M. Jain, Chairman | 83.33% |
| 2. | Shri Rahul G. Jain, Whole Time Director | 150% |
| 3 | Smt. Krati R. Jain, Woman Director w.e.f. 07/04/2015 | NIL |
| 4 | Shri Nitin S. Shah, Company Secretary and CFO | 10% |

3. Percentage increase in median remuneration of employees in the financial year – 5%
4. The Number of Permanent employees on the rolls of the company as on 31st March, 2019 - 16 (Sixteen)

ANNEXURE-9
PARTICULARS REGARDING EMPLOYEES REMUNERATION
DISCLOSURE UNDER SECTION 197 (12) AND RULE 5 (1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

| Sr No | REQUIREMENTS | DISCLOSURE |
|-------|--|---|
| 1 | The ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year. | Mr. Gautam M. Jain - 3.96 times Mr. Rahul G. Jain - 2.88 times Mr. Krati R. Jain - 0.71 times |
| 2 | The percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year | Mr. Gautam M. Jain - 83.33% Mr. Rahul G. Jain - 150% Mr. Nitin S. Shah - 10% |
| 3 | The percentage increase in the median remuneration of employees in the financial year. | The median remuneration of the employees in Financial Year, 2018-19 increased by 5% |
| 4 | The number of permanent employees on the rolls of company | 16 (Sixteen) as on 31 st March, 2019 |
| 5 | Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration | The Market Capitalization of the Company as at 31 st March, 2019 was 8,857.25 lacs as Compared to Rs. 12,506.00 lacs as at 31 st March, 2018. The Earning per Share of the Company was Rs. 8.31 as at 31 st March, 2019 as compared to Rs. 10.90 as at 31 st March, 2018. |
| 6 | The key parameters for any variable component of remuneration availed by the directors. | Remuneration of Key Managerial Personnel is in line with bench mark study and performance of the Company. |
| 7 | Affirmation that the remuneration is as per the remuneration policy of the company. | None of the Employees was drawing remuneration in excess of the highest paid Director during the year. Hence no comments are offered. |

Note: We confirm that there was no employees drawing remuneration in excess of limits prescribed under sub rule (2) of clause 5 of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 So list of Employees is not provided for 10 Employees.

INDEPENDENT AUDITOR'S REPORT**The Members of
MetroGlobal Limited****Report on the audit of the standalone IND AS financial statements****Opinion**

We have audited the accompanying standalone IND AS financial statements of MetroGlobal Limited ("the Company"), which comprise the Balance Sheet as at 31st March 2019, and the Statement of Profit and Loss (including Other Comprehensive Income), Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to the standalone IND AS financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone IND AS financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019, and total comprehensive income (comprising of profit and other comprehensive income), changes in equity and its cash flows for the year ended then ended.

Basis for opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone IND AS 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 IND AS financial statements under the provisions of the Act and the Rules there under, 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.

Key Audit Matter

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the standalone financial statements and our auditor's report thereon.

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

1. Impairment testing of Fully Owned Subsidiary Company & Associated Concern.

As at 31st March, 2019, the adjusted carrying amount of the investment in fully owned Subsidiary Company viz METROCHEM CAPITAL TRUST LIMITED of the statements does not cover the other information and we do not express any form of assurance conclusion thereon. In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Auditors' Response to the Key Audit Matter

Principal audit procedures performed:

Our audit procedures included among others, testing the Company's control surrounding the budgeting processes and the carrying value of investments.

We also assessed whether the Company's disclosures about the sensitivity of the outcome of impairment assessment to changes to key assumptions reflect the risks inherent, in the valuation of investment.

Information other than the financial statements and auditors' report thereon

- The Company's Board of directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board of Directors report but does not include the standalone IND AS financial statements, consolidated IND AS financial statements and our auditor's report thereon.
- Our opinion on the standalone IND AS 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 IND AS financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone IND AS financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's responsibility for the standalone IND AS financial statements

The Company's board of directors is responsible for the matters stated in section 134 (5) of the Act with respect to the preparation of these standalone IND AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the Indian Accounting Standards (Ind AS) prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Rules, 2016, as amended from time to time, and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's responsibilities for the audit of the standalone IND AS financial statements

Our objectives are to obtain reasonable assurance about whether the standalone IND AS 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 IND AS 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 IND AS 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 Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone IND AS financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the standalone IND AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope

of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the standalone financial statements

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

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

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

Report on other legal and regulatory requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in Annexure "A" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report that:
 - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - c. The balance sheet, the statement of profit and loss, and the cash flow statement dealt with by this report are in agreement with the books of account;
 - d. In our opinion, the aforesaid standalone IND AS financial statements comply with the accounting standards specified under section 133 of the Act, read with rule 7 of the Companies (Accounts) Rules, 2014;
 - e. On the basis of the written representations received from the directors as on March 31, 2019 taken on record by the board of directors, none of the directors is disqualified as on March 31, 2019 from being appointed as a director in terms of Section 164 (2) of the Act;
 - f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting;
 - g. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197 (16) of the Act, as amended,
In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act;
 - h. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us;
 - i. The Company does not have any pending litigations which would impact its financial position;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company

For AMPAC & ASSOCIATES
Chartered Accountants

Mumbai
May 30, 2019

Piyush B. Sheth
(Partner)
Membership No.: 044062
FRN: 112236W

Annexure “A” to the Independent Auditor’s Report :

(Referred to paragraph under ‘Report on other legal and regulatory requirements’ section of the Independent Auditors’ Report of even date to the members of MetroGlobal Limited on the standalone IND AS financial statements for the year ended March 31, 2019)

1. In respect of the Company’s fixed assets: (Property, Plant & Equipment and Intangible assets):
 - (a) The Company is maintaining proper records showing full particulars, including quantitative details and situation, of fixed assets.
 - (b) The fixed assets are physically verified by the Management during the year and there is regular programme of verification which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets and no material discrepancies have been noticed on such verification.
 - (c) The Immovable properties of land & buildings, & other properties whose title deeds have been pledged with banks as security for loans, are held in the name of Company.
2. The inventory has been physically verified by the management during the year. In our opinion, the frequency of such verification is reasonable. According to the information and explanations given to us and as examined by us, no material discrepancies were noticed on such verification.
3. According to information and explanation given to us, the company has granted unsecured loans to companies, firms, limited liability partnerships or other parties covered in the register required under section 189 of the Companies Act, 2013. In our opinion, the rate of interest and other terms and conditions of such loans are not prima facie prejudicial to the interest of the company. In respect of the aforesaid loans, the parties are repaying the principal amounts as stipulated and are also regular in payment of interest, where applicable. In respect of the aforesaid loans, in the cases where the overdue amount is more than ninety days, in our opinion, reasonable steps have been taken by the company for the recovery of the principal amounts and interest, where applicable.
4. In our opinion and according to information and explanation given to us, in respect of loans, investments, guarantees and security, the Company has complied with the provisions of sections 185 and section 186 of the Companies Act, 2013.
5. In our opinion and according to the information and explanations given to us, the company has not accepted any deposits and accordingly paragraph 3 (v) of the order is not applicable.
6. We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules 2014 prescribed by the Central Government under section 148(1) of the Companies Act, 2013 in respect of the Company’s products to which said rules are made applicable and are of the opinion that prima facie the prescribed cost records have been made and maintained. However, we have not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
7. 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, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including provident fund, employees’ state insurance, income-tax, sales- tax, service tax, goods and service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues have been generally regularly deposited during the year by the company with the appropriate authorities.

According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees’ state insurance, income-tax, sales- tax, service tax, goods and service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues were in arrears as at March 31, 2019 for a period of more than six months from the date they became payable
 - (b) According to the information and explanations given to us and the records of the company examined by us, there are no dues of income-tax, sales- tax, service tax, goods and service tax, duty of customs, duty of excise and value added tax which have not been deposited on account of any dispute.
8. In our opinion and according to the information and explanations given to us, the company has not defaulted in repayment of dues to banks or financial institutions or government during the year. The Company has not issued any debenture.
9. The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) and has not taken any term loans during the year. Accordingly, paragraph 3 (ix) of the order is not applicable.
10. To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or no material fraud on the Company by its officers or employees has been noticed or reported during the year.

11. In our opinion and according to the information and explanations given to us, the Company has paid/ provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
12. The Company is not a Nidhi Company and accordingly, paragraph 3 (xii) of the order is not applicable to the Company.
13. According to the information and explanations given to us and based on our examination of the records of the company, transactions with the related parties are in compliance with section 177 and 188 of the Act. Where applicable, the details of such transactions have been disclosed in the standalone IND AS financial statements as required by the applicable accounting standards.
14. According to the information and explanations given to us and based on our examination of the records of the company, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, paragraph 3(xiv) of the order is not applicable.
15. According to the information and explanations given to us and based on our examination of the records of the company, the company has not entered into non-cash transactions with directors or persons connected with them. Accordingly, paragraph 3(xv) of the order is not applicable.
16. According to the information and explanations given to us and based on our examination of the records of the company, the company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

Mumbai
May 30, 2019

For AMPAC & ASSOCIATES
Chartered Accountants
Piyush B. Sheth
(Partner)
Membership No.: 044062
FRN: 112236W

Annexure “B” to the Independent Auditor’s Report

((Referred to to paragraph under ‘Report on other legal and regulatory requirements’ section of the Independent Auditors’ Report of even date to the members of MetroGlobal Limited on the standalone IND AS financial statements for the year ended March 31, 2019)

Report on the internal financial controls over financial reporting under clause (i) of sub – section 3 of section 143 of the Companies Act, 2013 (“the Act”)

We have audited the internal financial controls over financial reporting of MetroGlobal Limited (“the Company”) as at March 31, 2019, in conjunction with our audit of the standalone IND AS financial statements of the Company for the year ended on that date.

Management’s responsibility for internal financial controls

The Company’s management of the Company is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. 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, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors’ responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) issued by the Institute of Chartered Accountants of India and the standards on auditing prescribed under Section 143 (10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those standards and the guidance note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting 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 system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgement, including the assessment of the risks of material misstatement in the standalone IND AS financial statements, whether due to fraud or error.

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

Meaning of internal financial controls over financial reporting

A company’s internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of standalone IND AS financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal financial control over financial reporting includes those policies and procedures that (i) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (ii) provide reasonable assurance that transactions are recorded as necessary to permit preparation of standalone IND AS 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 (iii) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company’s assets that could have a material effect on the financial statements.

Inherent Limitations of internal financial controls over financial reporting

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

Opinion

In our opinion and according to the information and explanations given to us, the Company has, in all material respects, an adequate internal financial control system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2019, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Mumbai
May 30,2019

For AMPAC & ASSOCIATES
Chartered Accountants

Piyush B. Sheth
(Partner)
Membership No.: 044062
FRN: 112236W

BALANCE SHEET AS AT MARCH 31, 2019

` in Lacs

| | Note | As at 31st March, 2019 | As at 31st March, 2018 |
|--------------------------------------|------|---------------------------|---------------------------|
| ASSETS | | | |
| Non-Current assets | | | |
| (a) Property, plant & equipment | 2 | 5,585.46 | 4,574.28 |
| (b) Capital Work-in-Progress | 3 | 544.94 | 1,724.15 |
| (c) Financial Assets | | | |
| (i) Investments | 4 | 1,881.81 | 1,680.87 |
| (ii) Other Financial Assets | 4 | 875.34 | 15.84 |
| (d) Other Non-current assets | 5 | 6,132.11 | 5,772.25 |
| Total Non-Current assets | | 15,019.66 | 13,767.39 |
| Current assets | | | |
| (a) Inventories | 6 | 4,357.09 | 1,828.99 |
| (b) Financial Assets | | | |
| (i) Trade receivables | 7 | 1,118.82 | 6,465.46 |
| (ii) Cash and cash equivalents | 8 | 339.42 | 71.85 |
| (iii) Other bank balances | 9 | 9,187.70 | 7,338.61 |
| (c) Other Current assets | 10 | 11,675.66 | 14,081.43 |
| Total Current assets | | 26,678.69 | 29,786.34 |
| Total Assets | | 41,698.35 | 43,553.73 |
| EQUITY AND LIABILITIES | | | |
| Equity | | | |
| (a) Equity Share capital | 11 | 1,632.67 | 1,632.67 |
| (b) Other Equity | 11 | 30,906.85 | 30,738.64 |
| Total Equity | | 32,539.52 | 32,371.31 |
| Liabilities | | | |
| Non-Current liabilities | | | |
| Financial Liabilities | | | |
| (i) Borrowings | 12 | 2,072.90 | 3,035.03 |
| (ii) Deferred tax liabilities (Net) | 13 | - | 46.07 |
| Total non-current liabilities | | 2,072.90 | 3,081.10 |
| Current Liabilities | | | |
| (a) Financial Liabilities | | | |
| (i) Borrowings | 14 | 1,155.58 | 3,788.07 |
| (ii) Trade payables | 15 | 5,473.28 | 3,914.84 |
| (iii) Other Financial Liabilities | 16 | 183.96 | 373.72 |
| (b) Other Current liabilities | 17 | 15.44 | 13.52 |
| (c) Provisions | 18 | 257.67 | 11.17 |
| Total current liabilities | | 7,085.93 | 8,101.32 |
| Total Equity and Liabilities | | 41,698.35 | 43,553.73 |

See accompanying notes to the financial statements 1

The accompanying notes are an integral part of the financial statements

 As per our report of even date
For AMPAC & ASSOCIATES,
 Chartered Accountants

Piyush B. Sheth
 Partner
 Membership No.: 44062
 FRN : 112236W

 Ahmedabad
 May 30, 2019

For & on behalf of the Board
Gautam M. Jain Chairman & Managing Director
 (DIN No: 00160167)

Sandeep S. Bhandari Director
 (DIN No: 01379445)

Nitin S. Shah Company Secretary

 Ahmedabad
 May 30, 2019

STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31st MARCH, 2019

| | Note No | For the year ended 31st March, 2019 ` in Lacs | For the year ended 31st March, 2018 ` in Lacs |
|---|---------|--|--|
| I. Revenue from operations | 19 | 33,217.81 | 32,776.94 |
| II. Other Income | 20 | 336.41 | 1,097.94 |
| III. Total Revenue (I +II) | | 33,554.22 | 33,874.88 |
| IV. Expenses: | | | |
| Purchase of Stock-in-Trade | | 34,009.94 | 30,807.32 |
| (Increase)/Decrease in Finished goods, Work In Progress & Stock in Trade | 21 | (3,696.14) | (328.93) |
| Employee benefit expense | 22 | 145.31 | 111.53 |
| Financial costs | 23 | 206.46 | 154.35 |
| Depreciation and amortization expense | | 41.24 | 18.05 |
| Other expenses | 24 | 695.42 | 791.99 |
| IV. Total Expenses | | 31,402.23 | 31,554.31 |
| V. Profit/(Loss) before exceptional items & Tax | | 2,151.99 | 2,320.57 |
| Exceptional Items (Expense/-income) | 25 | 511.21 | - |
| VI Profit/(Loss) before Tax | | 1,640.78 | 2,320.57 |
| VII. Tax expense: | | | |
| (1) Current tax | | 375.00 | 550.00 |
| VIII. Profit/(Loss) after Tax | (V-VI) | 1,265.78 | 1,770.57 |
| IX. Other Comprehensive Income /- loss (Net of Tax) | | | |
| i) Re-measurement of net defined benefit liability (net off tax) | | (1.95) | (2.80) |
| ii) Equity instruments through other comprehensive income (net off tax) | | 93.18 | 12.30 |
| X Total Comprehensive Income | | 1,357.01 | 1,780.07 |
| XII Earning per equity share: | | | |
| (1) Basic | | 8.31 | 10.90 |
| (2) Diluted | | 8.31 | 10.90 |

Significant accounting policies

1

The accompanying notes are an integral part of the financial statements

As per our report of even date

For AMPAC & ASSOCIATES,
Chartered Accountants

Piyush B. Sheth
Partner
Membership No.: 44062
FRN : 112236W

Ahmedabad
May 30, 2019

For & on behalf of the Board

Gautam M. Jain Chairman & Managing Director
(DIN No: 00160167)

Sandeep S. Bhandari Director
(DIN No: 01379445)

Nitin S. Shah Company Secretary

Ahmedabad
May 30, 2019

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2019

| | Year Ended March 31, 2019 (` in lacs) | | Year Ended March 31, 2018 (` in lacs) | |
|--|---|-------------------|---|-------------------|
| A. CASH FLOW FROM OPERATING ACTIVITIES | | | | |
| Net profit before taxation and extraordinary items | | 2,151.99 | | 2,320.57 |
| Add: Non-cash & Non-operating Expenses: | | | | |
| Depreciation | 41.24 | | 18.05 | |
| Amortization Expenses | 5.06 | | 5.06 | |
| Loss on Sale of Fixed Assets (Net) | - 276.06 | | 6.99 | |
| Deferred Tax Liability return off | 46.07 | | 0.00 | |
| Interest expenses | 206.46 | 22.77 | 154.35 | 184.45 |
| Less:- Non Operating Income | | | | |
| Profit on Sale of Investments (Net) | 18.64 | | - 1,056.15 | |
| Dividend Income | - 28.80 | - 10.16 | - 28.06 | - 1,084.21 |
| Cash flow before Change in Working capital | | 2,164.60 | | 1,420.81 |
| Change in Working Capital | | | | |
| Current assets: | | | | |
| Increase in Inventory | - 2,528.10 | | - 328.94 | |
| Increase in Trade Receivables | 5,346.64 | | - 2,338.87 | |
| Decrease in other Current Assets | 2,405.77 | | 831.72 | |
| Decrease in other non-current Assets | - 359.86 | 4,864.45 | 1,335.42 | - 500.67 |
| Current liabilities: | | | | |
| Decrease in Short term borrowings | - 2,632.49 | | - 332.78 | |
| Increase in trades Payables | 1,558.44 | | 1,535.57 | |
| Increase in Other Financial Liability | - 189.76 | | 126.34 | |
| Decrease in other Current liabilities | 1.92 | | - 61.10 | |
| Decrease in Short term provision | 246.50 | - 1,015.39 | - 1.04 | 1,266.99 |
| Cash flow before tax paid | | 6,013.66 | | 2,187.13 |
| Less: Tax paid | | 375.00 | | 550.00 |
| Cash flow Before extra-ordinary items | | 5,638.66 | | 1,637.13 |
| Add:- Cash flow from Extraordinary Items | - 1,700.00 | | - | |
| | | - 1,700.00 | | - |
| Cash flow from Operating Activities (A) | | 3,938.66 | | 1,637.13 |
| (B) Cash flow from investing activities: | | | | |
| Dividend Income | 28.80 | | 28.06 | |
| Increase in Investments | - 225.56 | | 1,271.09 | |
| Increase in Other Financial Assets | - 859.50 | | - | |
| Decrease in Capital Work in Progress | 1,179.21 | | - 206.84 | |
| Increase/Decrease of Fixed Assets | - 776.36 | | - 481.71 | |
| | | - 653.41 | | 610.60 |
| Cash flow from Investing Activities (B) | | - 653.41 | | 610.60 |
| (C) Cash flow from financing activities: | | | | |
| Decrease in long-term borrowings | - 962.13 | | - 95.85 | |
| Interest paid | - 206.46 | - 1,168.59 | - 154.35 | - 250.20 |
| Cash flow from Financing Activities (C) | | - 1,168.59 | | - 250.20 |
| Total Cash Flow (A+B+C) | | 2,116.66 | | 1,997.53 |
| Add: Opening cash and cash equivalents | | 7,410.46 | | 5,412.93 |
| Closing Cash & Cash Equivalents | | 9,527.12 | | 7,410.46 |

The accompanying notes are an integral part of the financial statements

As per our report of even date
For AMPAC & ASSOCIATES,
Chartered Accountants

Piyush B. Sheth
Partner
Membership No.: 44062
FRN : 112236W
Ahmedabad
May 30, 2019

For & on behalf of the Board

Gautam M. Jain Chairman & Managing Director
(DIN No: 00160167)
Sandeep S. Bhandari Director
(DIN No: 01379445)
Nitin S. Shah Company Secretary
Ahmedabad
May 30, 2019

NOTE NO. 1 : SHARE CAPITAL

a)

| Particulars | As at 31st March 2019 | | As at 31st March 2018 | |
|---|-----------------------|-----------------------|-----------------------|-----------------------|
| | Number | Rs. | Number | Rs. |
| Authorized | | | | |
| Equity Shares of Rs. 10/- each | 9,50,00,000 | 95,00,00,000 | 9,50,00,000 | 95,00,00,000 |
| Cumulative/Non-Cumulative, Redeemable, Convertible/Non-convertible Preference Shares of Rs. 10/- each | 2,50,00,000 | 25,00,00,000 | 2,50,00,000 | 25,00,00,000 |
| | 12,00,00,000 | 1,20,00,00,000 | 12,00,00,000 | 1,20,00,00,000 |
| Issued, Subscribed & Paid - up | | | | |
| Equity Shares of Rs. 10/- each | 1,63,26,742 | 16,32,67,420 | 1,63,26,742 | 16,32,67,420 |
| TOTAL | 1,63,26,742 | 16,32,67,420 | 1,63,26,742 | 16,32,67,420 |

b) **Rights of Equity Shareholders**

The Company has only one class of Equity Shares having par value of Rs.10.each, holder of equity shares is entitled to one vote per share.

c) **Reconciliation of numbers of equity shares**

| | | | | |
|---|--------------------|---------------------|--------------------|---------------------|
| Shares outstanding at the beginning of the year | 1,63,26,742 | 16,32,67,420 | 1,63,26,742 | 16,32,67,420 |
| Shares issued during the year | - | - | - | - |
| Shares bought back during the year | - | - | - | - |
| Shares outstanding at the end of the year | 1,63,26,742 | 16,32,67,420 | 1,63,26,742 | 16,32,67,420 |

d) In the preceding five years, the Company had not bought back, issued shares for consideration other than cash and bonus shares.

e) **Details of members holding equity shares more than 5%**

| Name of Shareholder | As at 31st March 2019 | | As at 31st March 2018 | |
|--------------------------------|-----------------------|--------------|-----------------------|--------------|
| | No. of Shares held | % of Holding | No. of Shares held | % of Holding |
| Gautam Mithalal Jain | 10,61,959.00 | 6.50 | 10,61,959.00 | 6.50 |
| Maiden Tradefin Pvt Ltd | 45,25,251.00 | 27.72 | 45,25,251.00 | 27.72 |
| Anil Dychem Industries Pvt Ltd | 28,92,082.00 | 17.71 | 28,71,176.00 | 17.59 |
| Megha Biotech Pvt Ltd | 27,05,447.00 | 16.57 | 27,05,667.00 | 16.57 |

Significant Accounting Policies and other Explanatory Information to the Standalone Financial Statements for the Financial Year ended 31st March, 2019**1.1 Corporate Information**

Metroglobal Limited is a public limited company domiciled in India and earlier incorporated under the provisions of Companies Act, 1956 now governed by Companies Act 2013. Its Shares are listed and traded on BSE. Company is in the business of trading of speciality chemicals, dye intermediates, solvents, basic chemicals & mineral ore, textile fabric, Plastic granules etc.

1.2 SIGNIFICANT ACCOUNTING POLICIES**Statement of Compliance with Ind AS.**

The Standalone Financial Statements of the Company are prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 and the Companies (Indian Accounting Standards) (Amendment) Rules, 2016 notified under Section 133 of the Companies Act, 2013 (the "Act") and other relevant provisions of the Act.

These Standalone Financial Statements of the Company as at and for the year ended 31st March, 2019 (including comparatives) were approved and authorized for issue by the Board of Directors of the Company on 30th May, 2019.

The financial statements of the Company are prepared on historical cost basis except for the following assets and liabilities which have been measured at fair value:-

- Certain financial assets and liabilities (including Derivative Instruments)
- Defined Benefit and other Long term Employee Benefits,

1.3 CURRENT & NON-CURRENT CLASSIFICATION

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle (twelve months) and other criteria set out in the Schedule III to the Act.

1.4.1 USE OF ESTIMATES AND JUDGEMENTS

The estimates and judgments used in the preparation of the financial statements are continuously evaluated by the Company and are based on historical experience and various other assumptions and factors (including expectations of future events) that the Company believes to be reasonable under the existing circumstances. Differences between actual results and estimates are recognized in the period in which the results are known/materialized.

The said estimates are based on the facts and events, that existed as at the reporting date, or that occurred after that date but provide additional evidence about conditions existing as at the reporting date

1.5 PROPERTY, PLANT AND EQUIPMENT**Property, Plant and Equipment**

All other items of property, plant and equipment are measured at cost less accumulated depreciation and impairment losses, if any. Costs include freight, import duties, non-refundable purchase taxes and other expenses directly attributable to the acquisition of the asset. Land is stated at Fair Value.

Depreciation/amortization:

Depreciation on fixed assets is provided on straight line method over the useful life of assets specified in Schedule II of the Companies Act, 2013.

The management believes that the useful life as given above the best represent the period over which the management expects to use these assets. The Company reviews the useful life and residual value at each reporting date.

Depreciation on assets added/sold or discarded during the year is being provided on pro-rata basis up to the date on which such assets are added/sold or discarded.

1.6 IMPAIRMENT OF NON-FINANCIAL ASSETS

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

An impairment loss is calculated as the difference between an asset's carrying amount and recoverable amount. Losses are recognized in profit or loss. When the Company considers that there are no realistic prospects of

recovery of the asset, the relevant amounts are written off. If the amount of impairment loss subsequently decreases and the decrease can be related objectively to an event occurring after the impairment was recognized, then the previously recognized impairment loss is reversed through profit or loss

1.7 REVENUE RECOGNITION

Revenue is recognized to the extent that it is probable that the economic benefit will flow to the Company and the revenue can be measured reliably.

Sale of goods:

Revenue from the sale of goods is recognized when the significant risks and rewards of ownership of the goods have been transferred to the buyer.

Revenue from sale of goods is net of taxes and recovery of charges collected from customers like transport, packing etc. Provision is made for returns when appropriate. Revenue is measured at the fair value of consideration received or receivable and is net of price discounts, Freight, allowance for volume rebates, and similar items.

Other Income

Interest income is recognized on a time proportionate basis taking into account the amounts invested and the rate of interest.

1.8 INVENTORIES

- (i) Inventories are valued at lower of cost and net realizable value. Raw material cost is computed on quarterly weighted average basis.
- (ii) Finished goods and Work-in-Process include estimated cost of conversion and other costs incurred in bringing the inventories to their present location and condition.
- (iii) Inventory of stores and spares, being not material, are charged to consumption on procurement.

1.9 FINANCIAL INSTRUMENTS

Financial assets - Initial recognition

Financial assets are recognized when the Company becomes a party to the contractual provisions of the instruments. Financial assets other than trade receivables are initially recognized at fair value plus transaction costs for all financial assets not carried at fair value through profit or loss. Financial assets carried at fair value through profit or loss are initially recognized at fair value, and transaction costs are expensed in the Statement of Profit and Loss.

Subsequent measurement

Financial assets, other than equity instruments, are subsequently measured at amortized cost, fair value through other comprehensive income or fair value through profit or loss on the basis of both:

- (a) The entity's business model for managing the financial assets and
- (b) The Contractual cash flow characteristics of the financial asset.

(a) Measured at amortised cost:

A financial asset is measured at amortized cost, if it is held under the hold to collect business model i.e. held with an objective of holding the assets to collect contractual cash flows and the contractual cash flows are solely payments of principal and interest on the principal outstanding. Amortized cost is calculated using the effective interest rate ("EIR") method by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included in interest income in the Statement of Profit and Loss. The losses arising from impairment are recognized in the Statement of Profit and Loss. On derecognition, gain or loss, if any, is recognised to Statement of Profit and Loss.

(b) Measured at fair value through other comprehensive income

A financial asset is measured at FVOCI, if it is held under the hold to collect and sell business model i.e. held with an objective to collect contractual cash flows and selling such financial asset and the contractual cash flows are solely payments of principal and interest on the principal outstanding. It is subsequently measured at fair value with fair value movements recognised in the OCI, except for interest income which recognised using EIR method. The losses arising from impairment are recognised in the Statement of Profit and Loss. On derecognition, cumulative gain or loss previously recognised in the OCI is reclassified from the equity to Statement of Profit and Loss.

(c) Measured at fair value through profit or loss

Investment in financial asset other than equity instrument, not measured at either amortised cost or FVOCI is measured at FVTPL. Such financial assets are measured at fair value with all changes in fair value, including interest income and dividend income if any, recognised in the Statement of Profit and Loss.

Financial Liabilities

Initial Recognition and measurement

Financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instruments. Financial liabilities are initially recognised at fair value net of transaction costs for all financial liabilities not carried at fair value through profit or loss.

The Company's financial liabilities includes trade and other payables, loans and borrowings including bank overdrafts and derivative instruments.

Subsequent measurement

Financial liabilities measured at amortised cost are subsequently measured at using EIR method. Financial liabilities carried at fair value through profit or loss are measured at fair value with all changes in fair value recognised in the Statement of Profit and Loss.

Loans & Borrowings:

After initial recognition, interest bearing loans and borrowings are subsequently measured at amortised cost using EIR method. Gains and losses are recognized in profit & loss when the liabilities are derecognized as well as through EIR amortization process.

Financial Guarantee Contracts

Financial guarantee contracts issued by the Company are those contracts that requires a payment to be made or to reimburse the holder for a loss it incurs because the specified debtors fails to make payment when due in accordance with the term of a debt instrument. Financial guarantee contracts are recognized initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee.

Subsequently the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognized less cumulative adjustments.

Derivative financial instruments

The Company uses derivative financial instruments, such as forward foreign exchange contracts, to hedge its foreign currency risks. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently remeasured at fair value, with changes in fair value recognised in Statement of Profit and Loss.

1.10 FAIR VALUE MEASUREMENT:

The Company measures financial instruments, such as, derivatives at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or settle a liability in an ordinary transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or settle a liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) prices in active markets for identical assets or liabilities.
- Level 2 — other techniques for which all input which have a significant effect on the recorded fair value are observable, either directly or indirectly.
- Level 3 — Inputs which are not based on observable market data

1.11 EMPLOYEE BENEFITS

The Company has provides following post-employment plans:

- (a) Defined benefit plans such a gratuity and
- (b) Defined contribution plans such as Provident fund & ESIC

a) Defined-benefit plan:

The liability or asset recognised in the balance sheet in respect of defined benefit plan is the present value of defined benefit obligations at the end of the reporting period less fair value of plan assets. The defined benefit obligations is calculated annually by actuaries through actuarial valuation using the projected unit credit method.

The Company recognises the following changes in the net defined benefit obligation as an expense in the statement of profit and loss:

- (a) Service costs comprising current service costs, past-service costs, gains and losses on curtailment and non-routine settlements; and
- (b) Net interest expense or income

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and fair value of plan assets. This cost is included in employee benefit expenses in the statement of the profit & loss.

Re-measurement comprising of actuarial gains and losses arising from

- (a) Re-measurement of Actuarial(gains)/losses
- (b) Return on plan assets, excluding amount recognized in effect of asset ceiling
- (c) Re-measurement arising because of change in effect of asset ceiling

are recognised in the period in which they occur directly in Other comprehensive income. Re-measurement are not reclassified to profit or loss in subsequent periods.

Ind AS 19 requires the exercise of judgment in relation to various assumptions including future pay rises, inflation and discount rates and employee and pensioner demographics. The Company determines the assumptions in conjunction with its actuaries, and believes these assumptions to be in line with best practice, but the application of different assumptions could have a significant effect on the amounts reflected in the income statement, other comprehensive income and balance sheet. There may be also interdependency between some of the assumptions.

b) Defined-contribution plan:

Under defined contribution plans, provident fund, the Company pays pre-defined amounts to separate funds and does not have any legal or informal obligation to pay additional sums. Defined Contribution plan comprise of contributions to the employees' provident fund with the government, superannuation fund and certain state plans like Employees' State Insurance and Employees' Pension Scheme. The Company's payments to the defined contribution plans are recognised as expenses during the period in which the employees perform the services that the payment covers.

c) Other employee benefits:

- (a) Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related services are recognised as a liability at the present value of the obligation as at the Balance sheet date determined based on an actuarial valuation.
- (b) Undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognised during the period when the employee renders the related services.

1.12 LEASES

A lease is classified at the inception date as a finance lease or an operating lease. Leases under which the Company assumes substantially all the risks and rewards of ownership are classified as finance leases. When acquired, such assets are capitalized at fair value or present value of the minimum lease payments at the inception of the lease, whichever is lower. Lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognised in finance costs in the statement of profit and loss.

Other leases are treated as operating leases, with payments are recognised as expense in the statement of profit & loss on a straight-line basis over the lease term.

1.13 FOREIGN CURRENCY TRANSACTIONS

a) Initial Recognition

Transactions in foreign currency are recorded at the exchange rate prevailing on the date of the transaction. Exchange differences arising on foreign exchange transactions settled during the year are recognized in the Statement of Profit and Loss of the year.

b) Measurement of Foreign Currency Items at the Balance Sheet Date

Foreign currency monetary items of the Company are restated at the closing exchange rates. Non-monetary items are recorded at the exchange rate prevailing on the date of the transaction. Exchange differences arising out of these transactions are charged to the Statement of Profit and Loss.

1.14.1 TAX EXPENSES

The tax expense for the period comprises current and deferred tax. Tax is recognised in Statement of Profit and Loss, except to the extent that it relates to items recognised in the comprehensive income or in equity. In which case, the tax is also recognised in other comprehensive income or equity

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, based on tax rates and laws that are enacted or substantively enacted at the Balance sheet date

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit.

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

1.15 PROVISIONS AND CONTINGENCIES

A provision is recognised if, as a result of a past event, the group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation.

Provisions for onerous contracts are recognized when the expected benefits to be derived by the Company from a contract are lower than the unavoidable costs of meeting the future obligations under the contract.

A disclosure for contingent liabilities is made where there is a possible obligation or a present obligation that may probably not require an outflow of resources or an obligation for which the future outcome cannot be ascertained with reasonable certainty. When there is a possible or a present obligation where the likelihood of outflow of resources is remote, no provision or disclosure is made.

1.16 CASH AND CASH EQUIVALENTS

Cash and Cash equivalents include cash and Cheque in hand, bank balances, demand deposits with banks and other short-term highly liquid investments that are readily convertible to known amounts of cash & which are subject to an insignificant risk of changes in value.

1.17 CASH FLOW STATEMENT

Cash flows are reported using the indirect method where by the profit before tax is adjusted for the effect of the transactions of a non-cash nature, any deferrals or accruals of past and future operating cash receipts or payments and items of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the company are segregated.

1.18 BORROWING COST

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of qualifying assets are capitalized as a part of Cost of that assets, during the period till all the activities necessary to prepare the Qualifying assets for its intended use or sale are complete during the period of time that is required to complete and prepare the assets for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

Other borrowing costs are recognized as an expense in the period in which they are incurred.

1.19 EARNINGS PER SHARE

Basic EPS is arrived at based on net profit after tax available to equity shareholders to the weighted average number of equity shares outstanding during the year.

The diluted EPS is calculated on the same basis as basic EPS, after adjusting for the effects of potential dilutive equity shares unless impact is anti-dilutive.

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS AS AT 31st March 2019
(Rs in Lacs)
NOTE - 2: Property, Plant and Equipment

| | Land | Buildings | Electric Installations | Laboratory Equipments | Furniture & Fixture | Vehicles | Office Equipments | Total |
|---|-----------------|-----------------|------------------------|-----------------------|---------------------|---------------|-------------------|-----------------|
| Gross Block | | | | | | | | |
| Balance as at 1st April 2017 | 545.12 | 356.17 | 100.90 | 188.25 | 86.73 | 436.37 | 176.47 | 1,890.01 |
| Additions | 431.61 | - | - | - | - | 60.13 | 3.03 | 494.77 |
| Revaluation | 3114.62 | - | - | - | - | - | - | 3,114.62 |
| Deductions/ Adjustment | - | - | - | - | - | (75.11) | - | (75.11) |
| Balance as at 31st March 2018 | 4,091.35 | 356.17 | 100.90 | 188.25 | 86.73 | 421.39 | 179.50 | 5,424.29 |
| Accumulated Depreciation | | | | | | | | |
| Balance as at 1st April 2017 | - | 231.57 | 99.66 | 188.08 | 57.93 | 161.81 | 147.96 | 887.01 |
| Additions | - | 3.03 | 0.09 | 0.01 | 1.82 | 11.08 | 2.02 | 18.05 |
| Deductions/ Adjustment | - | - | - | - | - | (55.05) | - | (55.05) |
| Balance as at 31st March 2018 | - | 234.60 | 99.75 | 188.09 | 59.75 | 117.84 | 149.98 | 850.01 |
| Net carrying amount as at 1st April, 2017 | 545.12 | 124.60 | 1.24 | 0.17 | 28.80 | 274.56 | 28.51 | 1,003.00 |
| Net carrying amount as at 31st March, 2018 | 4,091.35 | 121.57 | 1.15 | 0.16 | 26.98 | 303.55 | 29.52 | 4,574.28 |
| Gross Block | | | | | | | | |
| Balance as at 1st April 2018 | 4,091.35 | 356.17 | 100.90 | 188.25 | 86.73 | 421.39 | 179.50 | 5,424.29 |
| Additions | 1168.03 | 1677.99 | - | - | - | - | 1.28 | 2,847.30 |
| Revaluation | - | - | - | - | - | - | - | - |
| Deductions/ Adjustment | 1,794.36 | - | - | - | - | - | 0.52 | 1,794.88 |
| Balance as at 31st March 2019 | 3,465.02 | 2,034.16 | 100.90 | 188.25 | 86.73 | 421.39 | 180.26 | 6,476.71 |
| Accumulated Depreciation | | | | | | | | |
| Balance as at 1st April 2018 | - | 234.60 | 99.75 | 188.09 | 59.75 | 117.84 | 149.98 | 850.01 |
| Additions | - | 26.22 | 0.09 | 0.01 | 1.82 | 11.08 | 2.02 | 41.24 |
| Deductions/ Adjustment | - | - | - | - | - | - | - | - |
| Balance as at 31st March 2019 | - | 260.82 | 99.84 | 188.10 | 61.57 | 128.92 | 152.00 | 891.25 |
| Net carrying amount as at 31st March 2018 | 4,091.35 | 121.57 | 1.15 | 0.16 | 26.98 | 303.55 | 29.52 | 4,574.28 |
| Net carrying amount as at 31st March 2019 | 3,465.02 | 1,773.34 | 1.06 | 0.15 | 25.16 | 292.47 | 28.26 | 5,585.46 |

(Rs in Lacs)

| | As at 31st March, 2019 | As at 31st March, 2018 |
|---|------------------------|------------------------|
| NOTE - 3: Capital Work-In-Progress | | |
| Capital Work-In-Progress | 544.94 | 1,724.15 |
| Total | 544.94 | 1,724.15 |

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS AS AT 31st March 2019

(Rs in Lacs)

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

NOTE - 4: NON CURRENT FINANCIALS INVESTMENTS
Unquoted
(a) Investments in Equity shares

| | | | |
|--|---|--------|--------|
| (i) In subsidiary company | - | | |
| 638550 (570000) Equity Shares of Metrochem Capital Trust Ltd. each of Rs. 10/- fully paid up | | 132.58 | 114.00 |
| (ii) In associate companies (At Cost) | | | |
| 170 (170) Equity Shares of Anil Dyechem Ind. Pvt. Ltd. of Rs. 1000/- each fully paid up | | 3.42 | 3.42 |
| 4500 (4500) Equity Shares of Dual Metals Pvt.Ltd. Share A/c of of Rs. 10/- each fully paid up | | 0.45 | 0.45 |
| 4500 (4500) Equity Shares of D K Metro Procon Pvt.Ltd. Share A/c of of Rs. 10/- each fully paid up | | 0.45 | 0.45 |
| 45000 (4500) Equity Shares of Rian Chemicals Pvt.Ltd. Share A/c of of Rs. 10/- each fully paid up | | 4.50 | 4.50 |
| (iii) Other companies (At Fair Value) | | | |
| 200 (200) Equity Shares of Green Environment Services Co-op Society Ltd. of Rs. 100/- each fully paid up | | 0.20 | 0.20 |

| | | |
|---|---------------|---------------|
| Aggregate amount of Unquoted Investments | 141.60 | 123.02 |
|---|---------------|---------------|

Quoted

| | | |
|---|---------|---------|
| (a) Shares of Listed Companies (At Fair Value) | 1264.80 | 1047.81 |
| (b) Investment in debentures or bonds (At Fair Value) | 475.81 | 510.04 |

| | | |
|---|-----------------|-----------------|
| Aggregate amount of Quoted Investments | 1,740.21 | 1,557.85 |
|---|-----------------|-----------------|

| | | |
|--------------------------|-----------------|-----------------|
| TOTAL INVESTMENTS | 1,881.81 | 1,680.87 |
|--------------------------|-----------------|-----------------|

ii. Deposits & Other financial assets

| | | |
|---|--------|-------|
| (a) Security Deposits other than Government | 875.34 | 15.84 |
|---|--------|-------|

NOTE - 5 : OTHER NON CURRENT ASSETS
Long Term Loans and advances to Related Parties

| | | |
|---|----------|---------|
| a) Loans and advances to Partnership Firms in which the company is Partner (Unsecured, considered good) | 2,522.48 | 2091.15 |
| b) Loans and advances to company in which the company is a shareholder (Unsecured, considered good) | 685.00 | 831.49 |

Long Term Loans and advances to Suppliers, Contractors & others

| | | |
|----------------------------|---------|---------|
| Secured, considered good | 2734.35 | 2736.35 |
| Unsecured, considered good | 190.28 | 96.25 |

| | | |
|------------------|-----------------|-----------------|
| Sub-Total | 6,132.11 | 5,755.24 |
|------------------|-----------------|-----------------|

| | | |
|------------------------------|---|-------|
| Deferred Revenue Expenditure | - | 17.01 |
|------------------------------|---|-------|

| | | |
|------------------|----------|--------------|
| Sub-Total | - | 17.01 |
|------------------|----------|--------------|

| | | |
|--------------|-----------------|-----------------|
| Total | 6,132.11 | 5,772.25 |
|--------------|-----------------|-----------------|

Current Assets
NOTE - 6 : INVENTORIES

Stock in Trade :

| | | |
|---|----------|----------|
| Traded Goods (at lower of cost or net realizable value) | 4,357.09 | 660.96 |
| Work in Process of Real Estate projects (at cost) | - | 1,168.03 |

| | | |
|------------------|-----------------|-----------------|
| Sub-Total | 4,357.09 | 1,828.99 |
|------------------|-----------------|-----------------|

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS AS AT 31st March 2019

(Rs in Lacs)

| | As at 31st March, 2019 | As at 31st March, 2018 |
|--|---------------------------|---------------------------|
|--|---------------------------|---------------------------|

NOTE - 7 : TRADE RECEIVABLES

Due over six months

| | | |
|------------------------------|----------|----------|
| - considered good | - | - |
| - considered doubtful | 323.15 | 323.15 |
| Less: Provison for bad debts | (323.15) | (323.15) |
| | - | - |

Others (considered good)

| | | |
|---|---------|---------|
| (b) Other receivables (Unsecured considered good) | 1118.82 | 6465.46 |
|---|---------|---------|

| | | |
|------------------|----------------|----------------|
| Sub-Total | 1118.82 | 6465.46 |
|------------------|----------------|----------------|

NOTE - 8 : CASH AND CASH EQUIVALENTS

| | | |
|-------------------------|--------|-------|
| (a) Balances with banks | 338.73 | 69.91 |
| (b) Cash on hand | 0.69 | 1.94 |

| | | |
|--------------|---------------|--------------|
| Total | 339.42 | 71.85 |
|--------------|---------------|--------------|

NOTE - 9 : OTHER BANK BALANCES

| | | |
|---|----------|----------|
| (a) Earmarked balances with banks : Balance in Dividend escrow Accounts | 5.17 | 5.03 |
| (b) Fixed Deposits | 1,382.84 | 974.46 |
| (c) Balances In Liquid Funds | 7,799.69 | 6,359.12 |

| | | |
|--------------|-----------------|-----------------|
| Total | 9,187.70 | 7,338.61 |
|--------------|-----------------|-----------------|

NOTE - 10 : OTHER CURRENT ASSETS

| | | |
|--|-----------|-----------|
| a) Deposits with Other Companies | | |
| Unsecured, considered good | 82.93 | 712.06 |
| b) Balances with Government | 266.59 | 310.24 |
| c) Loans and advances to Suppliers, Contractors & others | | |
| Secured, considered good | - | - |
| Unsecured, considered good | 10,405.52 | 12,179.22 |
| d) Income Tax Refund Receivable /MAT cr | 920.62 | 879.91 |

| | | |
|--------------|------------------|------------------|
| Total | 11,675.66 | 14,081.43 |
|--------------|------------------|------------------|

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS AS AT 31st March 2019
Note No. 11
Statement of Changes in Equity for the year ended 31st March' 2019
(Rs in Lacs)
A) Equity Share Capital :

| Particulars | Balance as at 1st April, 2017 | Changes in equity share capital during the 2017-18 | Balance as at 31st March' 2018 | Balance as at 31st March, 2018 | Changes in equity share capital during the 2018-19 | Balance as at 31st March' 2019 |
|---|-------------------------------|--|--------------------------------|--------------------------------|--|--------------------------------|
| 16326742 (16326742) Equity Shares of Rs. 10 each fully paid up | 1,632.67 | - | 1,632.67 | 1,632.67 | - | 1,632.67 |

B) OTHER EQUITY :
(Rs in Lacs)

| Particulars | Reserve and Surplus | | | | Revaluation Reserve | Retained Earnings | TOTAL OTHER EQUITY |
|--|---------------------|-----------------|----------------------------|--------------------|---------------------|-------------------|--------------------|
| | General Reserve | Capital Reserve | Capital Redemption Reserve | Securities Premium | | | |
| Balances as at 1st April, 2017 | 17,376.73 | 1,076.05 | 1,500.00 | 10,253.97 | - | (4,362.80) | 25,843.95 |
| Addition/-Reduction During the year | | | | | | | |
| Income for the year | | | | | 3,114.62 | | 3,114.62 |
| Profit during the year | | | | | | 1,770.57 | 1,770.57 |
| Other Comprehensive Income net off tax | | | | | | 9.50 | 9.50 |
| Balance as at 31st March' 2018 | 17,376.73 | 1,076.05 | 1,500.00 | 10,253.97 | 3,114.62 | (2,582.73) | 30,738.64 |
| Addition/-Reduction During the year | | | | | | | |
| Income for the year | | | | | (1,188.79) | | (1,188.84) |
| Profit during the year | | | | | | 1,265.78 | 1,265.73 |
| Other Comprehensive Income net off tax | | | | | | 91.23 | 91.18 |
| Balance as at 31st March' 2019 | 17,376.73 | 1,076.05 | 1,500.00 | 10,253.97 | 1,925.83 | (1,225.72) | 30,906.85 |

(Rs in Lacs)
As at 31st March, 2019 **As at 31st March, 2018**
Non-Current Liabilities-Financial Liabilities
NOTE - 12 : Long Term Borrowings- At Amortised Cost
Secured-

| | | |
|--|---------------|---------------|
| Indian Rupee loan from ICICI Bank Limited (The loan is secured by mortgage over flat in scheme ADANI Western Heights owned by the company located at Mumbai) The loan is repayable in 240 monthly installments from the month in which construction is completed. | 374.29 | 283.90 |
| sub total | 374.29 | 283.90 |

Unsecured- At Amortised Cost

| | | |
|---|-----------------|-----------------|
| Other Unsecured Loan from Corporate Bodies (associate companies) which is expected to be paid within a period of 2-5 years. | 1,698.61 | 2,751.13 |
| sub total | 1,698.61 | 2,751.13 |
| Total | 2,072.90 | 3,035.03 |

NOTE - 13 : DEFERRED TAX LIABILITIES

| | | |
|--------------------------|----------|--------------|
| Deferred Tax Liabilities | - | 46.07 |
| Total | - | 46.07 |

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS AS AT 31st March 2019

(Rs in Lacs)

| | As at 31st March, 2019 | As at 31st March, 2018 |
|--|---------------------------|---------------------------|
|--|---------------------------|---------------------------|

NOTE - 14 : BORROWINGS-CURRENT
Secured -At Amortised Cost

| | | |
|--------------------------------------|-----------------|-----------------|
| Working Capital Loans - From Banks | 1,155.58 | 2,380.79 |
| Unsecured Loan from Corporate Bodies | - | 480.94 |
| Unsecured Loan from Directors | - | 926.34 |
| sub total | 1,155.58 | 3,788.07 |

Working Capital Facilities

- 1) State Bank of India
- 2) Kotak Mahindra Bank
- 3) HDFC Bank
- 4) Deutsche Bank

Terms:Repayble on Demand
Security

- 1) Working capital loan from State Bank of India is secured by present and future book debts and inventories of the Company, personal guarantee of the promoter directors.
- 2) Dropline OD/ Working Capital facility of Kotak Mahindra Bank against mortgage of property of Director
- 3) OD/ working cap facility of HDFC Bank and Deutsche Bank is against pledge of Mutual funds.

NOTE - 15 : TRADE PAYABLES

| | | |
|----------------|-----------------|-----------------|
| Trade payables | 5473.28 | 3,914.84 |
| Total | 5,473.28 | 3,914.84 |

*Principal amount due to suppliers registered under the MSMED Act and remaining unpaid as at year end

Interest due to suppliers registered under the MSMED Act and remaining unpaid as at year end

Principal amounts paid to suppliers registered under the MSMED Act, beyond the appointed day during the year

| | | |
|--|-----|-----|
| | NIL | NIL |
|--|-----|-----|

Interest paid, other than under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year

Interest paid, under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year

Interest due and payable towards suppliers registered under MSMED Act, for payments already made

Further interest remaining due and payable for earlier years

NOTE - 16 : Other Financial Liabilities

| | | |
|--|---------------|---------------|
| Other Payables for dividend/outstanding exp/other payables | 183.96 | 373.72 |
| Total | 183.96 | 373.72 |

NOTE - 17 : Other Current Liabilities

| | | |
|----------------|--------------|--------------|
| Statutory Dues | 15.44 | 13.52 |
| Total | 15.44 | 13.52 |

NOTE - 18 : Provisions

| | | |
|--|---------------|--------------|
| Provision for Expenses and other current liabilities | 257.67 | 11.17 |
| Total | 257.67 | 11.17 |

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS AS AT 31st March 2019

| | For the year ended 31st March, 2019 in Lacs | For the year ended 31st March, 2018 in Lacs |
|--|--|--|
| NOTE- 19 : REVENUE FROM OPERATIONS | | |
| SALES - Domestic | 31,432.95 | 30,989.48 |
| - Exports | - | - |
| | 31,432.95 | 30,989.48 |
| Less: Excise Duty | - | - |
| | 31,432.95 | 30,989.48 |
| Interest Income | 1,784.86 | 1,787.46 |
| Total | 33,217.81 | 32,776.94 |
| Sale of products comprises : | | |
| <u>Manufactured goods</u> | | |
| Dyes Intermediates | | |
| Local | - | - |
| Export | - | - |
| Total - Sale of manufactured goods | - | - |
| <u>Traded goods</u> | | |
| Dyes intermediates and other traded products | 31,432.95 | 30,989.48 |
| Total - Sale of traded goods | 31,432.95 | 30,989.48 |
| Total - Sale of products | 31,432.95 | 30,989.48 |

NOTE- 20 : OTHER INCOME

| | | |
|--|---------------|-----------------|
| Profit /(loss) on Sale of Fixed Assets (Net) | 276.05 | (6.99) |
| Misc. Income | 50.20 | 20.72 |
| Profit/(loss) on Sale of Investments (Net) | (18.64) | 1,056.15 |
| Dividend income | 28.80 | 28.06 |
| Total | 336.41 | 1,097.94 |

**NOTE- 21 : (INCREASE)/DECREASE IN FINISHED GOODS,
WORK IN PROGRESS & STOCK IN TRADE**

| | | |
|----------------------------------|-------------------|-----------------|
| Stock at the Commencement : | | |
| Finished Goods (traded products) | 660.95 | 332.02 |
| Stock at the End : | | |
| Finished Goods (traded products) | 4,357.09 | 660.95 |
| Total | (3,696.14) | (328.93) |

NOTE- 22 : EMPLOYEE BENEFIT EXPENSE

| | | |
|--|---------------|---------------|
| Salaries, Wages and Bonus | 135.30 | 100.49 |
| Contribution to Provident Fund, Family Pension Fund & other contribution | 7.55 | 9.08 |
| Workers & Staff Welfare Expenses | 2.46 | 1.96 |
| Total | 145.31 | 111.53 |

NOTE- 23 : FINANCIAL COST

| | | |
|----------------------|---------------|---------------|
| Interest expenditure | 206.46 | 154.35 |
| Total | 206.46 | 154.35 |

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS AS AT 31st March 2019

| | For the year ended 31st March, 2019 in Lacs | For the year ended 31st March, 2018 in Lacs |
|--|--|--|
| NOTE- 24 : OTHER EXPENSES | | |
| Water, Power & Fuel | 6.59 | 8.68 |
| Other Misc. Factory Expenses | 1.21 | 1.56 |
| Rates & Taxes | 5.03 | 7.64 |
| Insurance | 8.38 | 2.38 |
| Postage, Telephone & Stationery | 11.15 | 11.45 |
| Legal & Consultancy Expenses | 58.48 | 87.45 |
| Other Administration Expenses | 34.53 | 37.85 |
| Bad debts | - | 440.79 |
| Audit Fees | 6.00 | 6.00 |
| Donation | 130.31 | 49.82 |
| Deferred Revenue Expenditure | 5.06 | 5.06 |
| Bill discounting cost & other bank charges | 200.48 | 13.23 |
| Sales Promotion Expenses | 43.82 | 54.78 |
| Inland Freight & Cartage & RM exp | 184.38 | 65.30 |
| Total | 695.42 | 791.99 |

NOTE- 25 : EXCEPTIONAL ITEMS (EXPENSE/-INCOME)

| | | |
|---|---------------|----------|
| Income on transfer of Revaluation Reserve | (1,188.79) | - |
| Arbitration Expense | 1,700.00 | - |
| TOTAL | 511.21 | - |

NOTE - 26 : FINANCIAL INSTRUMENTS

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The following methods and assumptions were used to estimate the fair values:

1. Fair value of cash and short-term deposits, trade and other short term receivables, trade payables, other current liabilities, short term loans from banks and other financial institutions approximate their carrying amounts largely due to short term maturities of these instruments.
2. Financial instruments with fixed and variable interest rates are evaluated by the Company based on parameters such as interest rates and individual credit worthiness of the counterparty. Based on this evaluation, allowances are taken to account for expected losses of these receivables. Accordingly, fair value of such instruments is not materially different from their carrying amounts.

The Financial Instruments are categorised in two level based on the inputs used to arrive at fair value measurements as described below:-

Level 1: quoted (unadjusted) prices in active markets for identical assets or liabilities.

Level 2: other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly.

Level 3: Inputs which are not based on observable market data

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS AS AT 31st March 2019

The carrying amounts and fair values of financial instruments by category are as follows:

a. Financial assets (RS in Lacs)

| Particulars | As at 31st March 2019 | | | As at 31st March 2018 | | |
|------------------------------|-----------------------|------------------------|---------|-----------------------|------------------------|---------|
| | Carrying Amount | Level of Input Used In | | Carrying Amount | Level of Input Used In | |
| | Level 3 | Level 1 | Level 2 | Level 3 | Level 1 | Level 2 |
| Financial Assets | | | | | | |
| At Amortised Cost | | | | | | |
| Trade receivables | 1,118.82 | - | - | 6,465.46 | - | - |
| Cash and cash equivalents | 339.42 | - | - | 71.85 | - | - |
| Other Bank Balance | 9,187.70 | - | - | 7,338.61 | - | - |
| At FVTPL | | | | | | |
| Trade receivables | - | - | - | - | - | - |
| Cash and cash equivalents | - | - | - | - | - | - |
| Other Bank Balance | - | - | - | - | - | - |
| At FVTOCI | | | | | | |
| Trade receivables | - | - | - | - | - | - |
| Cash and cash equivalents | - | - | - | - | - | - |
| Other Bank Balance | - | - | - | - | - | - |
| Financial Liabilities | | | | | | |
| Borrowings | 1,155.58 | - | - | 3,788.07 | - | - |
| Trade payables | 5,473.28 | - | - | 3,914.84 | - | - |
| Other financial liabilities | 183.96 | - | - | 373.72 | - | - |

Note 26—Financial Risk Management

Financial risk management objectives and policies

The company's principal financial liabilities comprises of loans and borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include mutual funds, trade and other receivable and cash and cash equivalents that derive directly from its operations. The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks. The senior management ensures that the Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. The Company does not enter into or trade financial instruments, including derivative financial instruments, for speculative purpose. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarized below :

Market risk is the risk that changes in market prices-such as foreign exchange rates, interest rates and equity prices will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters while optimizing the return. The major components of market risk are foreign currency risk and interest rate risk .

(i) Market Risk- Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's main interest rate risk arises from the long term borrowings with fixed rates. The Company's fixed rates borrowings are carried at amortized cost. The Company invests the surplus fund generated from operations in mutual funds. Considering these mutual funds are short term in nature, there is no significant interest rate risk. The Company has laid policies and guidelines including tenure of investment made to minimize impact of interest rate risk

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS AS AT 31st March 2019
Exposure to interest rate risk
(Rs in Lacs)

| Particulars | As at 31st March, 2019 | As at 31st March, 2018 |
|--|---------------------------|---------------------------|
| Borrowings bearing variable rate of interest | 1,155.58 | 2,380.79 |
| Borrowings bearing Fixed rate of interest | 2,072.90 | 4,442.31 |

(ii) Market Risk- Foreign currency risk.

Foreign currency risk is the risk that the fair fluctuate because in foreign exchange rates. The Company does not have material foreign currency exposure as at balance sheet date. Hence, it does not have any significant foreign currency risk.

(iii) Credit risk

Credit risk arises from the possibility that the counter party may not be able to settle their obligations as agreed. To manage this, the company periodically assess financial reliability of customer, taking into account the financial condition, current economic trends, and analysis of historical bad debts and ageing of accounts receivable. Individual risk limits are set accordingly.

The company considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis through each reporting period. To assess whether there is a significant increase in credit risk the company compares the risk of default occurring on asset as at the reporting date with the risk of default as at the date of initial recognition. It considers reasonable and supportive forwarding-looking information such as:

- i) Actual or expected significant adverse changes in business,
- ii) Actual or expected significant changes in the operating results of the counterparty,
- iii) Financial or economic conditions that are expected to cause a significant change to the counterparty's ability to meet its obligations,
- iv) Significant increase in credit risk on other financial instruments of the same counterparty,
- v) Significant changes in the value of the collateral supporting the obligation or in the quality of the third-party guarantees or credit enhancements.

Ageing of Account receivables

| | As at 31st March, 2019 | As at 31st March, 2018 |
|-----------------|---------------------------|---------------------------|
| 0-6 months | 1,118.82 | 6,465.46 |
| beyond 6 months | - | - |
| Total | 1,118.82 | 6,465.46 |

(iv) Liquidity Risk

Liquidity risk is defined as the risk that the company will not be able to settle or meet its obligations on time, or at a reasonable price. The company's treasury department is responsible for liquidity, funding as well as settlement management. In addition, processes and policies related such risk are overseen by senior management. Management monitors the company's net liquidity position through rolling forecasts on the basis of expected cash flows.

The company had access to following undrawn Borrowing facilities at end of reporting period:

| | As at 31st March, 2018 | As at 31st March, 2018 |
|---|---------------------------|---------------------------|
| Variable Borrowing -Cash Credit expires within 1 year | 1,155.58 | 2,380.79 |

(v) Capital risk management

The primary objective of the Company's capital management is to maximise the shareholder value. The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants.

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS AS AT 31st March 2019

The Company Monitors Capital on the basis of the following debt equity ratio:-

| Particulars | As at 31st March, 2019 | As at 31st March, 2018 |
|---------------------------------|---------------------------|---------------------------|
| Net Debt | 3,228.48 | 6,823.10 |
| Total Equity | 32,539.52 | 32,371.31 |
| Net Debt to Total Equity | 9.92% | 21.08% |

NOTES 27 FORMING PART OF FINANCIAL STATEMENTS AS AT 31st March 2019
1) Optional exemptions availed
i) Fair value measurement of financial assets or financial liabilities at Initial Recognition

Company has elected to apply requirement in paragraph B5.1.2A of Ind AS 109 prospectively to transactions entered into on or after the date of transition to Ind ASs.

ii) Deemed Cost

The Company has elected to measure all its intangible assets at the previous GAAP carrying amount as its deemed cost on the date of transition to Ind AS.

1. Applicable mandatory exceptions
i) Estimates

The estimates are consistent with those made for the same dates in accordance with previous GAAP (after adjustments to reflect any differences in accounting policies, if any) apart from the following items where application of previous GAAP did not require estimation:

- FVTPL investments
- FVTOCI – debt securities
- Impairment of financial assets based on expected credit loss model

ii) Classification and measurement of financial assets

As required under Ind AS 101, the classification of financial assets to be measured at amortised cost or fair value through other comprehensive income is made on the basis of the facts and circumstances that existed on the date of transition to Ind AS.

- 2) The amounts in the Balance Sheet and Statement of Profit and Loss are rounded off to the nearest thousand and indicated in lacs of rupees.
- 3) Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosure.
- 4) The Company has constituted a Corporate Social Responsibility (CSR) Committee and has framed a CSR Policy. The brief details of CSR Committee are provided in the Corporate Governance Report. The Annual Report on CSR activities is annexed to this Report.
- 5) The Ministry of Corporate Affairs, Government of India, vide General Circular No.2 and 3 dated February 8, 2011 and February 21, 2011 respectively has granted a general exemption from compliance under Companies Act 2013, subject to fulfillment of conditions stipulated in the circular. The Company has satisfied the conditions stipulated in the circular and hence is entitled to the exemption. Necessary information relating to the subsidiaries has been included in the annexure to the Consolidated Financial Statements.
- 6) Company has not received any intimation from the suppliers regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 and hence disclosures, if any, relating to amounts unpaid as at the year end together with interest paid / payable as required under the said Act have not been given.
- 7) In terms of AS 108 Segment reporting prescribed under sec 133 of companies act 2013, segment information has been appended in the Consolidated Financial Statements (CFS).
- 8) No commission (Previous Year Rs. NIL) has been paid to the Managing Director / Dy.Managing Director for the year under review in view of resolution passed by the Board of directors and as agreed by the Managing Director.
- 9) Director's Remuneration : (Rs./Lacs)

| Particulars | 2018-19 | 2017-18 |
|--|--------------|--------------|
| i.) Salary | 75.19 | 34.83 |
| ii.) Contribution to Provident & other Funds | 1.97 | 1.55 |
| iii.) Other Perquisites | 12.93 | 11.6 |
| Total: | 90.09 | 47.98 |

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS AS AT 31st March 2019
10) Related Party Disclosures as per Indian Accounting Standard

List of Related Parties with whom transactions have taken place during the year

(i) List of Related party and their relationships:

| Sr No | Name of the Related Party |
|----------|---|
| a | Subsidiary company |
| 1 | Metrochem Capital Trust Limited |
| b | Other Related /Associated companies with whom the Company had transactions |
| 1 | Anil Dyechem Industries Pvt. Ltd |
| 2 | Harvest Tradelink Pvt.Ltd. |
| 3 | Maiden Tradefin Pvt. Ltd. |
| 4 | DK Metro Procon Private Limited |
| 5 | Dual Metals Pvt Ltd. |
| 6 | Rian Chemicals Pvt.Ltd. |
| c | Entity over which Company has joint control |
| 1 | Ganesh Infrastructure |
| 2 | PMZ Developers |
| 3 | Keshvaji Developers |
| 4 | Metro Apptech LLP |
| 5 | Myspace Infracon LLP |
| d | Key Managerial Personnel |
| 1 | Shri Gautam M. Jain |
| 2 | Shri Rahul G. Jain |

(ii) Details of transactions with related parties & Balance Outstanding as at the year end: (Rs. In Lacs)

| Sr. No. | Nature of Transactions | Subsidiaries | Associates Companies/LLP/ Partnership Firms | Key Mgt. Personnel | Total |
|---------|---|---------------|---|-----------------------|-----------------|
| 1 | Remuneration/sitting fees | - | - | 92.50 | 92.50 |
| 2 | Lease Rent/ Shed Rent paid | - | - | 2.64 | 2.64 |
| 3 | Interest expenses on intercorporate deposits taken | 14.90 | 147.57 | 13.75 | 176.22 |
| 4 | Outstanding intercorporate deposits payable | 260.80 | 1,378.56 | 71.63 | 1,710.99 |
| 5 | Investment in shares of associate companies | - | 8.82 | - | 8.82 |
| 6 | Interest receivable | - | 101.46 | - | 101.46 |
| 7 | Outstanding loans receivable | - | 3,277.59 | - | 3,277.59 |
| | Total | 275.70 | 4,914.00 | 180.52 | 5,370.22 |

Notes :

No amounts in respect of related parties have been written off/written back/provided for during the year.

Related party relationships have been identified by the management and relied upon by the auditors.

11) DISCLOSURE PURSUANT TO IND AS - 19 "EMPLOYEE BENEFITS"

i) **Gratuity:** In accordance with the applicable laws, the Company provides for gratuity, a defined benefit retirement plan ("The Gratuity Plan") covering eligible employees. The Gratuity Plan provides for a lump sum payment to vested employees on retirement (subject to completion of five years of continuous employment), death, incapacitation or termination of employment that are based on last drawn salary and tenure of employment. Liabilities with regard to the Gratuity Plan are determined by actuarial valuation on the reporting date and the Company makes annual contribution to the gratuity fund administered by Reliance Nippon life Insurance Company & Future Generali life Insurance Co limited

The disclosure in respect of the defined Gratuity Plan are given below:

A. Balance Sheet

| Defined benefit plans | (Amount In Rs.) | | |
|-------------------------------------|---------------------------|---------------------------|--------------------------|
| | As at 31st March, 2019 | As at 31st March, 2018 | As at 1st April, 2017 |
| Present value of plan liabilities | 36,58,633 | 35,96,673 | 31,98,189 |
| Fair value of plan assets | 37,53,269 | 33,11,673 | 30,83,189 |
| Asset/(Liability) recognised | 94,636 | (2,85,000) | (1,15,000) |

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS AS AT 31st March 2019
B. Movements in plan assets and plan liabilities (Amount In Rs.)

| | Present value of obligations |
|--|---|
| As at 1st April 2018 | 35,96,673 |
| Current service cost | 1,75,611 |
| Past service cost | - |
| Interest Cost/(Income) | 2,69,559 |
| Liability tranferred in/ acquisition | |
| Adjustments to opening fair Value of Plan Assets | - |
| Actuarial (gain)/loss arising from changes in demographic assumptions | - |
| Actuarial (gain)/loss arising from changes in financial assumptions | 3,32,325 |
| Actuarial (gain)/loss arising from experience adjustments | - |
| Employer contributions | - |
| Benefit payments | (50,885) |
| As at 31st March 2019 | 36,58,633 |
| As at 1st April 2017 | 31,98,189 |
| Current service cost | 99,086 |
| Past service cost | - |
| Interest Cost/(Income) | 2,39,299 |
| Return on plan assets excluding amounts included in net finance income/cost | |
| Actuarial (gain)/loss arising from changes in demographic assumptions | - |
| Actuarial (gain)/loss arising from changes in financial assumptions | - |
| Actuarial (gain)/loss arising from experience adjustments | 2,85,000 |
| Employer contributions | 2,28,484 |
| Benefit payments | - |
| As at 31st March 2018 | 35,96,673 |

C. Assumptions

With the objective of presenting the plan assets and plan liabilities of the defined benefits plans at their fair value on the balance sheet, assumptions under Ind AS 19 are set by reference to market conditions at the valuation date.

The significant actuarial assumptions were as follows:

| | As at 31st March, 2019 | As at 31st March, 2018 | As at 31st March, 2017 |
|---|--|--|--|
| Financial Assumptions | | | |
| Discount rate | 7.99% | 7.99% | 7.99% |
| Salary Escalation Rate | 5.00% | 5.00% | 5.00% |
| Expected Return on Plan Assets | 7.99% | 7.99% | 7.99% |
| Rate of Employee Turnover | 5.00% | 5.00% | 5.00% |
| Mortality Rate During Employment | Indian Assured Lives Mortality (2006-08) | Indian Assured Lives Mortality (2006-08) | Indian Assured Lives Mortality (2006-08) |
| Mortality Rate After Employment | N.A. | N.A. | N.A. |
| Demographic Assumptions | | | |
| Mortality in Service : Indian Assured Lives Mortality (2006-08) | | | |

D. The defined benefit obligations shall mature after year end 31st March, 2019 as follows:

(Amount In Rs.)

| Year ending | Defined benefit obligation |
|--------------------|-----------------------------------|
| 31st March, 2019 | 21,62,048 |
| 31st March, 2020 | 5,22,315 |
| 31st March, 2021 | 5,22,315 |
| 31st March, 2022 | 5,22,315 |
| 2023 | 5,22,315 |
| 2024 | 5,22,315 |
| Thereafter | 912178 |

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS AS AT 31st March 2019
E. Sensitivity Analysis

(Amount In Rs.)

| Particulars | | As at 31st March, 2019 |
|--|-------|---------------------------|
| Projected Benefit Obligation on Current Assumptions | | 36,58,633 |
| Delta Effect of + 1% Change in Rate of Discounting | +4.6 | 38,27,197 |
| Delta Effect of - 1% Change in Rate of Discounting | -4.00 | 35,11,292 |
| Delta Effect of + 1% Change in Rate of Salary Increase | -4.2 | 35,06,789 |
| Delta Effect of + 1% Change in Rate of Salary Increase | -+4.3 | 38,14,642 |
| Delta Effect of + 1% Change in Rate of Employee Turnover | -0.6 | 36,38,076 |
| Delta Effect of - 1% Change in Rate of Employee Turnover | 0.5 | 36,77,452 |

- 12) i) In the Opinion of the Management, any of the assets other than fixed assets and non-current investments have value on realization in the ordinary course of business at least equal to the amount at they are stated. The accounts of certain Trade Receivables, Trade Payables, Loans and Advances are however, subject to formal confirmations/reconciliations and consequent adjustments, if any. The management does not expect any material difference affecting the current year's financial statements on such reconciliation/ajustments.
- ii) During the year part of land is sold and revaluation reserve pertaining to the land sold is transferred from revaluation reserve to statement of profit and loss .
- iii) During the year company has paid amount of Rs 17,00,00,000 to Huntsman International India Pvt Ltd under Arbitration case and has settled the dispute with them.
- iv) No provision for interest has been made for loans and advances given to some of the parties as counter parties not able to make repayment of due amount and company will make provision for such interest in the year of realization as prudent practise by the company in respect of such parties.
- v) During the year, land of the company located at chatral has been reclassified by the company as fixed asset instead of earlier held as WIP.
- vi) Rs 0.32 Lacs being net loss (Previous year Rs.1.68 lacs being net gain) on account of exchange difference have been adjusted in the respective heads of account in the profit & loss account.
- 13) The Deferred Tax Assets & Liabilities for the year comprise of the following:

(Rs./Lacs)

| Particulars | 2018-19 | 2017-18 |
|--------------------------|---------|---------|
| Defered Tax Asset | 0 | 46.07 |

14) Auditors' Remuneration

| | | |
|------------------|-------------|--------------|
| Audit Fees | 6.00 | 6.00 |
| Service Tax /GST | 1.08 | 1.08 |
| Total | 7.08 | 53.15 |

15) Calculation of Earning Per Share (EPS):

| | | |
|---|----------|----------|
| Numerator: | | |
| Profit after tax | 1,357.01 | 1,780.07 |
| Denominator: Weighted Average Equity Shares (No.) in Lacs | 163.267 | 163.267 |
| Face Value | 10 | 10 |
| Basic and Diluted Earning Per Share | 8.31 | 10.90 |

- 16) (i) Contingent liabilities not provided for in respect of

(Rs. In Lacs)

| Particulars | As at 31st March, 2019 | As at 31st March, 2018 |
|---|---------------------------|---------------------------|
| Income Tax | 386.11 | 386.11 |
| VAT/Sales Tax | 25.05 | - |
| Excise Duty (Interest thereon not ascertainable at present) | 196.24 | 196.24 |
| Others | | |

During 1993, the Company had imported plant and machinery under Export Promotion Capital Goods Scheme ('EPCG') at concessional rate of custom duty against export obligation under the said Scheme. As the Company could complete only partial Export obligation, it has received a notice of demand from Directorate General of Foreign Trade ('DGFT'). The Company has paid the entire differential duty amount for Rs.94,68,900 on 10.05.2011 and has made necessary submissions before the authorities. In view of this submission and pending decision of forum, interest liability is not ascertainable.

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS AS AT 31st March 2019

The company's pending litigation comprises mainly claims against the Company, proceedings pending with tax & other Authorities. The Company has reviewed all its pending litigations and proceedings and has made adequate provisions, wherever required and disclosed the contingent liabilities, wherever applicable, in its financial statements. The Company does not expect the outcome of these proceedings to have a material impact on its financial statements. Future cash outflow in respect of the above are determinable only on receipts of judgments/decisions pending with various forums/authorities.

(ii) Commitment
Operating Lease:

The Company has acquired certain Building/Office Premises under Lease arrangement. The future lease payment committed is as under:

| Particulars | (Rs. In lacs) | |
|-----------------|---------------------------|---------------------------|
| | As at 31st March, 2019 | As at 31st March, 2018 |
| Within one year | 2.64 | 2.64 |

(iii) Capital Commitment: Rs. NIL (Previous Year Rs. NIL)
17) Other Additional Information
a) Raw Materials Consumption

| | Year Ended 31-03-2019 | | Year Ended 31-03-2018 | |
|------------------------------------|-----------------------|-------------------|-----------------------|-------------------|
| | Qty. (Mts) | Value Rs./Lacs | Qty. (Mts) | Value Rs./Lacs |
| RAW MATERIAL | | | | |
| Items | - | - | - | - |
| Total Raw Material Consumed | - | - | - | - |

b) Value of Imports on CIF Basis

| Particulars | Rs./Lacs | |
|---------------|----------|---------|
| | 2018-19 | 2017-18 |
| Raw Material | - | - |
| Capital Goods | - | - |
| Traded goods | 12069.94 | 189.58 |

c) Consumption of Raw Materials

| | Year Ended 31-03-2019 | | Year Ended 31-03-2018 | |
|--|-----------------------|---|-----------------------|---|
| | (Rs./Lacs) | % | (Rs./Lacs) | % |
| Imported (including Import Duty content) | - | - | - | - |
| Indigenous | - | - | - | - |
| Total | - | - | - | - |

d) Expenditure in Foreign Currency incurred during the year

| Particulars | Year Ended 31-03-2019 | Year Ended 31-03-2018 |
|-----------------------------|--------------------------|--------------------------|
| | Foreign Bank Charges | - |
| Foreign Travelling Expenses | 18.89 | 28.65 |

e) Earning in Foreign Currency during the year.

| | | |
|----------------------------|-----|-----|
| Direct Exports (FOB Value) | NIL | NIL |
|----------------------------|-----|-----|

As per our report of even date

For AMPAC & ASSOCIATES,
Chartered Accountants

Piyush B. Sheth

Partner

Membership No.: 44062

FRN : 112236W

Ahmedabad

May 30, 2019

For & on behalf of the Board

Gautam M. Jain
(DIN No: 00160167)

Chairman & Managing Director

Sandeep S. Bhandari
(DIN No: 01379445)

Director

Nitin S. Shah

Company Secretary

Ahmedabad

May 30, 2019

FORM NO. AOC.1
Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures
(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014
Part "A": Subsidiaries

(Information in respect of each subsidiary to be presented with amounts in Rs)

| Sl. No. | Particulars | Details |
|----------------|---|--|
| 1. | Name of the subsidiary | METROCHEM CAPITAL TRUST LIMITED |
| 2. | Reporting period for the subsidiary concerned, if different from the holding company's reporting period | Same as Holding Company April to March-2019 |
| 3. | Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries | INR (` in lacs) |
| 4. | Share capital | 181.50 |
| 5. | Reserves & surplus | 96.69 |
| 6. | Total assets | 279.92 |
| 7. | Total Liabilities | 279.92 |
| 8. | Investments | 13.75 |
| 9. | Turnover | 14.89 |
| 10. | Profit before taxation | 12.57 |
| 11. | Provision for taxation | 14.39 |
| 12. | Profit after taxation | (1.82) |
| 13. | Proposed Dividend | 0.00 |
| 14. | % of shareholding | 78.37% |

For & on behalf of the Board
Gautam M. Jain Chairman & Managing Director
(DIN No: 00160167)
Sandeep S. Bhandari Director
(DIN No: 01379445)
Nitin S. Shah Company Secretary

 Ahmedabad
 May 30, 2019

Part "B": Associates and Joint Ventures

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

| Name of Associates/ Joint Ventures | Rian Chemicals Pvt Ltd | Metro Apptech LLP | Myspace Infracon LLP | Dual Metals Pvt Ltd | DK Metro Procon Pvt Ltd |
|--|-----------------------------------|-----------------------------------|-----------------------------------|-----------------------------------|-----------------------------------|
| 1. Latest audited Balance Sheet Date | 31-03-2019 | 31-03-2019 | 31-03-2019 | 31-03-2019 | 31-03-2019 |
| 2. Shares of Associate/Joint Ventures held by the company on the year end | | | | | |
| No. | 45000 | N.A. | N.A. | 4500 | 4500 |
| Amount of Investment in Associates/ Joint Venture | 450000 | 80000 | (212098) | 45000 | 45000 |
| Extend of Holding % | 45% | 80% | 25% | 45% | 45% |
| 3. Description of how there is significant influence | Holding is more than 20% | Holding is more than 20% | Holding is more than 20% | Holding is more than 20% | Holding is more than 20% |
| 4. Reason why the associate/joint venture is not consolidated | Consolidation is on Equity Method | Consolidation is on Equity Method | Consolidation is on Equity Method | Consolidation is on Equity Method | Consolidation is on Equity Method |
| 5. Net worth attributable to Shareholding as per latest audited Balance Sheet | | | | | |
| i. Considered in Consolidation | 967175 | (1793945) | (855893) | 3384507 | 4974294 |
| ii. Not Considered in Consolidation | | | | | |

For & on behalf of the Board

Gautam M. Jain Chairman & Managing Director
(DIN No: 00160167)

Sandeep S. Bhandari Director
(DIN No: 01379445)

Nitin S. Shah Company Secretary

Ahmedabad
May 30, 2019

INDEPENDENT AUDITORS' REPORT

Report on the audit of the consolidated IND AS financial statements

Opinion

We have audited the accompanying consolidated financial statements of METROGLOBAL LIMITED (hereinafter referred to as 'the Holding Company') and its subsidiaries and associates (the Holding Company and its subsidiaries and associates together referred to as "the Group"), which comprise the consolidated balance sheet as at 31 March 2019, the consolidated statement of profit and loss (including other comprehensive income), the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of reports of other auditors on separate financial statements of such subsidiaries and associates as were audited by the other auditors, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ('the Act') in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ('Ind AS'), and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2019, their consolidated total comprehensive income, their consolidated cash flows and their consolidated changes in equity for the year ended on that date.

Basis for opinion

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing (SAs) specified under Section 143 (10) of the Act. Our responsibilities under those SAs are further described in the Auditors' Responsibility for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India, and we have fulfilled our other ethical responsibilities in accordance with provisions of the Act. We believe that the audit evidence we have obtained and evidence obtained by the other auditors in terms of their reports referred to in the 'Other Matters' paragraph below, 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 Consolidated IND AS financial statements for the financial year ended March 31, 2019. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have determined that there are no key audit matters to be communicated in our report. Hence Auditor's response to the key matter is not applicable.

Information other than the consolidated IND AS financial statements and auditors' report thereon

- The Parent's Board of Directors and the Company's Management 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 auditors' report thereon.
- Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.
- In connection with our audit of the consolidated financial statements, our responsibility is to read the other information 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. If, based on the work done / audit report of other auditors,
- we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

Management's responsibility for the consolidated IND AS 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) prescribed under Section 133 of the Act. The respective 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 design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the 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 the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group (Holding Company and subsidiaries) 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 is responsible for overseeing the financial reporting process of each company.

Auditor's responsibilities for the audit of the consolidated IND AS financial statements

Our objective is 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 IND AS 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 Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting 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 (Holding Company and subsidiaries/associates) to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the consolidated IND AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding financial information of such entities or business activities within the Group to express an opinion on the consolidated financial statements, of which we are the independent auditors. We are responsible for direction, supervision and performance of the audit of the financial information of such entities.

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

For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion. Our responsibilities in this regard are further described in para (a) of the section titled 'Other Matters' in this audit report.

We believe that the audit evidence obtained by us along with the consideration of audit reports of the other auditors referred to in sub-paragraph (a) of the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

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

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

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

We did not audit the financial statements of subsidiaries and associates whose financial statements have been audited by other auditors whose report has been furnished to us. Our opinion is based solely on the report of such other auditors. and financial statements as certified by the management.

Our opinion is not modified in respect of this matter.

Report on other legal and regulatory requirements

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

- a) We have sought and obtained all the information and explanations, which to the best of our knowledge and belief, were necessary for the purposes of our audit of the aforesaid consolidated financial statements;
- b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors;
- c) The consolidated balance sheet, the consolidated statement of profit and loss (including other comprehensive income), the consolidated statement of changes in equity and the consolidated statement of cash flows dealt with by this report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements;
- d) In our opinion, the aforesaid consolidated financial statements comply with the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act;
- e) On the basis of the written representations received from the directors of the Holding Company as on 31 March 2019 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies incorporated in India, none of the directors of the Group companies incorporated in India are disqualified as on 31 March 2019 from being appointed as a director in terms of Section 164 (2) of the Act;
- f) With respect to adequacy of the internal financial controls with reference to financial statements of the Holding Company and its subsidiary-associates companies and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".
- g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, In our opinion and to the best of our information and according to the

explanations given to us, the remuneration paid by the Parent to its directors during the year is in accordance with the provisions of section 197 of the Act.

- h) With respect to the other matters to be included in the Auditors' 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 and based on the consideration of the report of the other auditors on separate financial statements and also the other financial information of the subsidiaries/associates, as noted in the 'Other Matters' paragraph:
- The Holding Company and its subsidiary/associate companies do not have any pending litigations which would impact its financial statements;
 - The Holding Company and its subsidiary/associate companies did not have any long-term contracts, including derivative contracts, for which there were any material foreseeable losses; and
 - There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company and its subsidiary /associate companies during the year ended 31 March 2019.

For AMPAC & ASSOCIATES
Chartered Accountants

Mumbai
May 30, 2019

Piyush B. Sheth
(Partner)
Membership No.: 044062
FRN: 112236W

Annexure “A” to the Independent Auditor’s Report

((Referred to to paragraph under ‘Report on other legal and regulatory requirements’ section of the Independent Auditors’ Report of even date to the members of MetroGlobal Limited on the consolidated IND AS financial statements for the year ended March 31, 2019)

Report on the internal financial controls over financial reporting under clause (i) of sub – section 3 of section 143 of the Companies Act, 2013 (“the Act”)

In conjunction with our audit of the consolidated Ind AS financial statements of MetroGlobal Limited as of and for the year ended March 31, 2019, we have audited the internal financial controls over financial reporting of MetroGlobal Limited (hereinafter referred to as the “Holding Company”) and its subsidiary/associate companies, which are companies incorporated in India, as of that date.

Management’s responsibility for internal financial controls

The board of directors of Holding Company and its subsidiary/associate are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. 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, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors’ responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) issued by the Institute of Chartered Accountants of India and the standards on auditing prescribed under Section 143 (10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those standards and the guidance note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting 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 system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgement, including the assessment of the risks of material misstatement in the consolidated IND AS financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors of the relevant subsidiary/associate companies, in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to consolidated financial statements

Meaning of internal financial controls over financial reporting

A company’s internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of consolidated IND AS financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal financial control over financial reporting includes those policies and procedures that (i) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (ii) provide reasonable assurance that transactions are recorded as necessary to permit preparation of consolidated IND AS 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 (iii) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company’s assets that could have a material effect on the financial statements.

Inherent Limitations of internal financial controls over financial reporting

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

Opinion

In our opinion and according to the information and explanations given to us, the Holding Company and its subsidiary/ associate have, in all material respects, an adequate internal financial control system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2019, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For AMPAC & ASSOCIATES
Chartered Accountants

Mumbai
May 30, 2019

Piyush B. Sheth
(Partner)
Membership No.: 044062
FRN: 112236W

CONSOLIDATED BALANCE SHEET AS AT 31st MARCH, 2019

| | | ` in Lacs | |
|--------------------------------------|------|---------------------------|---------------------------|
| | Note | As at 31st March, 2019 | As at 31st March, 2018 |
| ASSETS | | | |
| Non-Current assets | | | |
| (a) Property, plant & equipment | 2 | 5,585.75 | 4,574.61 |
| (b) Capital Work-in-Progress | 3 | 544.94 | 1,724.15 |
| (c) Financial Assets | | | |
| (i) Investments | 4 | 1,746.43 | 1,580.62 |
| (ii) Other Financial Assets | 4 | 875.34 | 15.84 |
| (d) Other Non-current assets | 5 | 6,132.11 | 6,021.62 |
| Total Non-Current assets | | 14,884.57 | 13,916.84 |
| Current assets | | | |
| (a) Inventories | 6 | 4,357.18 | 1,829.08 |
| (b) Financial Assets | | | |
| (i) Trade receivables | 7 | 1,118.82 | 6,465.46 |
| (ii) Cash and cash equivalents | 8 | 342.89 | 75.08 |
| (iii) Other bank balances | 9 | 9,187.70 | 7,338.61 |
| (c) Other Current assets | 10 | 11,677.15 | 14,095.55 |
| Total Current assets | | 26,683.74 | 29,803.78 |
| Total Assets | | 41,568.31 | 43,720.62 |
| EQUITY AND LIABILITIES | | | |
| Equity | | | |
| (a) Equity Share capital | 11 | 1,632.67 | 1,632.67 |
| (b) Other Equity | 11 | 30,895.05 | 30,732.28 |
| Minority Interest | | 140.86 | 172.38 |
| Total Equity | | 32,668.58 | 32,537.33 |
| Liabilities | | | |
| Non-Current liabilities | | | |
| Financial Liabilities | | | |
| (i) Borrowings | 12 | 1,812.07 | 3,035.03 |
| (ii) Deferred tax liabilities (Net) | 13 | - | 46.07 |
| Total non-current liabilities | | 1,812.07 | 3,081.10 |
| Current Liabilities | | | |
| (a) Financial Liabilities | | | |
| (i) Borrowings | 14 | 1,155.58 | 3,788.07 |
| (ii) Trade payables | 15 | 5,473.28 | 3,914.84 |
| (iii) Other Financial Liabilities | 16 | 185.69 | 374.51 |
| (b) Other Current liabilities | 17 | 15.44 | 13.60 |
| (c) Provisions | 18 | 257.68 | 11.17 |
| Total current liabilities | | 7,087.67 | 8,102.19 |
| Total Equity and Liabilities | | 41,568.31 | 43,720.62 |

See accompanying notes to the financial statements 1

The accompanying notes are an integral part of the financial statements

As per our report of even date

For AMPAC & ASSOCIATES,
Chartered Accountants

Piyush B. Sheth

Partner

Membership No.: 44062

FRN : 112236W

Ahmedabad

May 30, 2019

For & on behalf of the Board

Gautam M. Jain
(DIN No: 00160167)

Chairman & Managing Director

Sandeep S. Bhandari
(DIN No: 01379445)

Director

Nitin S. Shah

Company Secretary

Ahmedabad

May 30, 2019

CONSOLIDATED STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31st MARCH, 2019

| | Note No | For the year ended 31st March, 2019 ` in Lacs | For the year ended 31st March, 2018 ` in Lacs |
|---|---------|--|--|
| I. Revenue from operations | 19 | 33,232.70 | 32,795.70 |
| II. Other Income | 20 | 337.09 | 1,098.20 |
| III. Total Revenue (I +II) | | 33,569.79 | 33,893.90 |
| IV. Expenses: | | | |
| Purchase of Stock-in-Trade | | 34,009.94 | 30,807.32 |
| (Increase)/Decrease in Finished goods, Work In Progress & Stock in Trade | 21 | (3,696.14) | (328.93) |
| Employee benefit expense | 22 | 146.30 | 112.72 |
| Financial costs | 23 | 206.46 | 154.35 |
| Depreciation and amortization expense | | 41.28 | 18.09 |
| Other expenses | 24 | 697.40 | 793.35 |
| IV. Total Expenses | | 31,405.24 | 31,556.90 |
| VII. Profit/(Loss) before extraordinary items and tax (V - VI) | | 2,164.55 | 2,337.00 |
| VIII. Extraordinary Items | | - | - |
| V. Profit/(Loss) before exceptional items & Tax | | 2,164.55 | 2,337.00 |
| Exceptional Items (Expense/-income) | 25 | 511.21 | - |
| VI. Profit/(Loss) before Tax | | 1,653.34 | 2,337.00 |
| VII. Tax expense: | | | |
| (1) Current tax | | 376.25 | 550.00 |
| (2) Deferred tax asset/(liability) written off | | - | - |
| (3) Earlier year excess(-)/short(+) provisions for tax | | 13.14 | - |
| | | 389.39 | 550.00 |
| VII. Profit/(Loss) after Tax | | 1,263.95 | 1,787.00 |
| IX. Other Comprehensive Income /-loss (Net of Tax) | | | |
| i) Re-measurement of net defined benefit liability (net off tax) | | (1.95) | (2.80) |
| ii) Equity instruments through other comprehensive income (net off tax) | | 93.18 | 12.30 |
| X. Total Comprehensive Income | | 1,355.18 | 1,796.50 |
| IX. Earning per equity share: | | | |
| (1) Basic | | 8.30 | 11.00 |
| (2) Diluted | | 8.30 | 11.00 |

Significant accounting policies

1

The accompanying notes are an integral part of the financial statements

As per our report of even date

For AMPAC & ASSOCIATES,
Chartered Accountants

Piyush B. Sheth

Partner

Membership No.: 44062

FRN : 112236W

Ahmedabad

May 30, 2019

For & on behalf of the Board
Gautam M. Jain
(DIN No: 00160167)

Chairman & Managing Director

Sandeep S. Bhandari
(DIN No: 01379445)

Director

Nitin S. Shah

Company Secretary

Ahmedabad

May 30, 2019

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2019

| | Year Ended March 31, 2019 (` in lacs) | Year Ended March 31, 2018 (` in lacs) | | |
|--|---|---|----------------|-------------------|
| A. CASH FLOW FROM OPERATING ACTIVITIES | | | | |
| Net profit before taxation and extraordinary items | 2,164.55 | 2,337.00 | | |
| Add: Non-cash & Non-operating Expenses: | | | | |
| Depreciation | 41.28 | 18.09 | | |
| Amortization Expenses | 5.06 | 5.06 | | |
| Loss on Sale of Fixed Assets (Net) | - 276.05 | 6.99 | | |
| Deferred Tax Liability Written Off | 46.07 | - | | |
| Interest expenses | 206.46 | 154.35 | 22.82 | 184.49 |
| Less:- Non Operating Income | | | | |
| Profit on Sale of Investments (Net) | 18.65 | - 1,056.15 | | |
| Dividend Income | - 29.33 | - 28.06 | - 10.68 | - 1,084.21 |
| Cash flow before Change in Working capital | 2,176.69 | 1,437.28 | | |
| Change in Working Capital | | | | |
| Current assets: | | | | |
| Increase in Inventory | - 2,528.10 | - 328.94 | | |
| Increase in Trade Receivables | 5,346.64 | - 2,338.87 | | |
| Decrease in other Current Assets | 2,418.40 | 829.75 | | |
| Increase in other non-current Assets | - 110.49 | 1,321.10 | 5,126.45 | - 516.96 |
| Current liabilities: | | | | |
| Decrease in Short term borrowings | - 2,632.49 | - 332.78 | | |
| Increase in trades Payables | 1,558.44 | 1,535.57 | | |
| Increase in Other Financial Liability | - 188.82 | 126.68 | | |
| Decrease in other Current liabilities | 1.84 | - 61.02 | | |
| Decrease in Short term provision | 246.51 | - 1.04 | - 1,014.53 | 1,267.41 |
| Cash flow before tax paid | 6,288.62 | 2,187.73 | | |
| Less: Tax paid | 389.39 | 550.00 | | |
| Cash flow Before Extra-ordinary items | 5,899.23 | 1,637.73 | | |
| Add:- Cash flow from Extraordinary Items | - 1,700.00 | - | - 1,700.00 | - |
| Cash flow from Operating Activities (A) | 4,199.23 | 1,637.73 | | |
| (B) Cash flow from investing activities: | | | | |
| Dividend Income | 29.33 | 28.06 | | |
| Loss on Investment in Associates | - 16.55 | - | | |
| Increase in Investments | - 177.50 | 1,271.09 | | |
| Increase in Other Financial Assets | - 859.50 | - | | |
| Decrease in Capital Work in Progress | 1,179.21 | - 206.84 | | |
| Increase/Decrease of Fixed Assets | - 776.37 | - 621.38 | - 621.38 | 610.60 |
| Cash flow from Investing Activities (B) | - 621.38 | 610.60 | | |
| (C) Cash flow from financing activities: | | | | |
| Decrease in long-term borrowings | - 1,222.96 | - 95.85 | | |
| Change in Minority Interest | - 31.52 | | | |
| Interest paid | - 206.46 | - 154.35 | - 1,460.94 | - 250.20 |
| Cash flow from Financing Activities (C) | - 1,460.94 | - 250.20 | | |
| Total Cash Flow (A+B+C) | 2,116.91 | 1,998.13 | | |
| Add: Opening cash and cash equivalents | 7,413.69 | 5,415.56 | | |
| Closing Cash & Cash Equivalents | 9,530.59 | 7,413.69 | | |

The accompanying notes are an integral part of the financial statements

As per our report of even date

For AMPAC & ASSOCIATES,
Chartered Accountants

Piyush B. Sheth

Partner

Membership No.: 44062

FRN : 112236W

Ahmedabad

May 30, 2019

For & on behalf of the Board

Gautam M. Jain
(DIN No: 00160167)

Chairman & Managing Director

Sandeep S. Bhandari
(DIN No: 01379445)

Director

Nitin S. Shah

Company Secretary

Ahmedabad

May 30, 2019

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018
NOTE NO. 1 : SHARE CAPITAL

a)

| Particulars | As at 31st March 2019 | | As at 31st March 2018 | |
|---|-----------------------|-----------------------|-----------------------|-----------------------|
| | Number | Rs. | Number | Rs. |
| Authorized | | | | |
| Equity Shares of Rs. 10/- each Cumulative/Non-Cumulative, Redeemable, Convertible/Non-convertible Preference Shares of Rs. 10/- each | 9,50,00,000 | 95,00,00,000 | 9,50,00,000 | 95,00,00,000 |
| | 2,50,00,000 | 25,00,00,000 | 2,50,00,000 | 25,00,00,000 |
| | 12,00,00,000 | 1,20,00,00,000 | 12,00,00,000 | 1,20,00,00,000 |
| Issued, Subscribed & Paid - up | | | | |
| Equity Shares of Rs. 10/- each | 1,63,26,742 | 16,32,67,420 | 1,63,26,742 | 16,32,67,420 |
| TOTAL | 1,63,26,742 | 16,32,67,420 | 1,63,26,742 | 16,32,67,420 |

b) **Rights of Equity Shareholders**

The Company has only one class of Equity Shares having par value of Rs.10.each, holder of equity shares is entitled to one vote per share.

c) **Reconciliation of numbers of equity shares**

| | | | | |
|---|--------------------|---------------------|--------------------|---------------------|
| Shares outstanding at the beginning of the year | 1,63,26,742 | 16,32,67,420 | 1,63,26,742 | 16,32,67,420 |
| Shares issued during the year | - | - | - | - |
| Shares bought back during the year | - | - | - | - |
| Shares outstanding at the end of the year | 1,63,26,742 | 16,32,67,420 | 1,63,26,742 | 16,32,67,420 |

d) In the preceding five years, the Company had not bought back, issued shares for consideration other than cash and bonus shares.

e) **Details of members holding equity shares more than 5%**

| Name of Shareholder | As at 31st March 2019 | | As at 31st March 2018 | |
|---------------------------------|-----------------------|--------------|-----------------------|--------------|
| | No. of Shares held | % of Holding | No. of Shares held | % of Holding |
| Gautam Mithalal Jain | 10,61,959.00 | 6.50 | 10,61,959.00 | 6.50 |
| Maiden Tradefin Pvt Ltd | 45,25,251.00 | 27.72 | 45,25,251.00 | 27.72 |
| Anil Dyechem Industries Pvt Ltd | 28,92,082.00 | 17.71 | 28,71,176.00 | 17.59 |
| Megha Biotech Pvt Ltd | 27,05,447.00 | 16.57 | 27,05,667.00 | 16.57 |

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019**Significant Accounting Policies and other Explanatory Information to the Consolidated Financial Statements for the Financial Year ended 31st March, 2019****Note 1****1.1 Basis of Preparation**

Metroglobal Limited is a public limited company domiciled in India and earlier incorporated under the provisions of Companies Act, 1956 now governed by Companies Act 2013. Its Shares are listed and traded on BSE. Company is in the business of trading of speciality chemicals, dye intermediates, solvents, basic chemicals & mineral ore, textile fabric, Plastic granules etc.

Consolidated Financial Statements include the consolidated Balance Sheet, consolidated Statement of Profit and Loss, consolidated Cash Flow Statement and consolidated Statement of Changes in Equity of the Parent Company and its subsidiary company and associates companies (hereinafter referred as the 'Group')

Principles of Consolidation

The CFS relate to Metroglobal Limited and its subsidiary company and associates companies. The financial statements of the subsidiary used in consolidation are drawn/prepared on line to line basis and consolidation for associate companies are done as per equity method.

1.2 SIGNIFICANT ACCOUNTING POLICIES**Statement of Compliance with Ind AS.**

The Consolidated Financial Statements of the Company are prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 and the Companies (Indian Accounting Standards) (Amendment) Rules, 2016 notified under Section 133 of the Companies Act, 2013 (the "Act") and other relevant provisions of the Act.

1.3 CURRENT & NON-CURRENT CLASSIFICATION

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle (twelve months) and other criteria set out in the Schedule III to the Act.

1.4.1 USE OF ESTIMATES AND JUDGEMENTS

The estimates and judgments used in the preparation of the financial statements are continuously evaluated by the Company and are based on historical experience and various other assumptions and factors (including expectations of future events) that the Company believes to be reasonable under the existing circumstances. Differences between actual results and estimates are recognised in the period in which the results are known/materialized.

The said estimates are based on the facts and events, that existed as at the reporting date, or that occurred after that date but provide additional evidence about conditions existing as at the reporting date

1.5 PROPERTY, PLANT AND EQUIPMENT**Property, Plant and Equipment**

Freehold land is carried at historical cost. All other items of property, plant and equipment are measured at cost less accumulated depreciation and impairment losses, if any. Costs include freight, import duties, non-refundable purchase taxes and other expenses directly attributable to the acquisition of the asset.

Leasehold land is stated at historical cost less amounts written off proportionate to expired lease period.

Depreciation/amortization:

Depreciation on fixed assets is provided on straight line method over the useful lives of assets specified in Schedule II of the Companies Act, 2013.

The management believes that the useful life as given above the best represent the period over which the management expects to use these assets. The Company reviews the useful life and residual value at each reporting date.

Depreciation on assets added/sold or discarded during the year is being provided on pro-rata basis up to the date on which such assets are added/sold or discarded.

1.6 IMPAIRMENT OF NON-FINANCIAL ASSETS

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

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019

An impairment loss is calculated as the difference between an asset's carrying amount and recoverable amount. Losses are recognised in profit or loss. When the Company considers that there are no realistic prospects of recovery of the asset, the relevant amounts are written off. If the amount of impairment loss subsequently decreases and the decrease can be related objectively to an event occurring after the impairment was recognized, then the previously recognized impairment loss is reversed through profit or loss

1.7 REVENUE RECOGNITION

Revenue is recognized to the extent that it is probable that the economic benefit will flow to the Company and the revenue can be measured reliably.

Sale of goods:

Revenue from the sale of goods is recognized when the significant risks and rewards of ownership of the goods have been transferred to the buyer.

Revenue from sale of goods is net of taxes and recovery of charges collected from customers like transport, packing etc. Provision is made for returns when appropriate. Revenue is measured at the fair value of consideration received or receivable and is net of price discounts, Freight, allowance for volume rebates, and similar items.

Other Income

Interest income is recognized on a time proportionate basis taking into account the amounts invested and the rate of interest.

1.8 INVENTORIES

- (i) Inventories are valued at lower of cost and net realizable value. Raw material cost is computed on quarterly weighted average basis.
- (ii) Finished goods and Work-in-Process include estimated cost of conversion and other costs incurred in bringing the inventories to their present location and condition.
- (iii) Inventory of stores and spares, being not material, are charged to consumption on procurement.

1.9 FINANCIAL INSTRUMENTS**Financial assets - Initial recognition**

Financial assets are recognized when the Company becomes a party to the contractual provisions of the instruments. Financial assets other than trade receivables are initially recognized at fair value plus transaction costs for all financial assets not carried at fair value through profit or loss. Financial assets carried at fair value through profit or loss are initially recognized at fair value, and transaction costs are expensed in the Statement of Profit and Loss.

Subsequent measurement

Financial assets, other than equity instruments, are subsequently measured at amortized cost, fair value through other comprehensive income or fair value through profit or loss on the basis of both:

- (a) The entity's business model for managing the financial assets and
- (b) The Contractual cash flow characteristics of the financial asset.

(a) Measured at amortised cost:

A financial asset is measured at amortized cost, if it is held under the hold to collect business model i.e. held with an objective of holding the assets to collect contractual cash flows and the contractual cash flows are solely payments of principal and interest on the principal outstanding. Amortized cost is calculated using the effective interest rate ("EIR") method by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included in interest income in the Statement of Profit and Loss. The losses arising from impairment are recognized in the Statement of Profit and Loss. On derecognition, gain or loss, if any, is recognised to Statement of Profit and Loss.

(b) Measured at fair value through other comprehensive income

A financial asset is measured at FVOCI, if it is held under the hold to collect and sell business model i.e. held with an objective to collect contractual cash flows and selling such financial asset and the contractual cash flows are solely payments of principal and interest on the principal outstanding. It is subsequently measured at fair value with fair value movements recognised in the OCI, except for interest income which recognised using EIR method. The losses arising from impairment are recognised in the Statement of Profit and Loss. On derecognition, cumulative gain or loss previously recognised in the OCI is reclassified from the equity to Statement of Profit and Loss.

(c) Measured at fair value through profit or loss

Investment in financial asset other than equity instrument, not measured at either amortised cost or FVOCI is measured at FVTPL. Such financial assets are measured at fair value with all changes in fair value, including interest income and dividend income if any, recognised in the Statement of Profit and Loss.

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019**Financial Liabilities****Initial Recognition and measurement**

Financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instruments. Financial liabilities are initially recognised at fair value net of transaction costs for all financial liabilities not carried at fair value through profit or loss.

The Company's financial liabilities includes trade and other payables, loans and borrowings including bank overdrafts and derivative instruments.

Subsequent measurement

Financial liabilities measured at amortised cost are subsequently measured at using EIR method. Financial liabilities carried at fair value through profit or loss are measured at fair value with all changes in fair value recognised in the Statement of Profit and Loss.

Loans & Borrowings:

After initial recognition, interest bearing loans and borrowings are subsequently measured at amortised cost using EIR method. Gains and losses are recognized in profit & loss when the liabilities are derecognized as well as through EIR amortization process.

Financial Guarantee Contracts

Financial guarantee contracts issued by the Company are those contracts that requires a payment to be made or to reimburse the holder for a loss it incurs because the specified debtors fails to make payment when due in accordance with the term of a debt instrument. Financial guarantee contracts are recognized initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee.

Subsequently the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognized less cumulative adjustments.

Derivative financial instruments

The Company uses derivative financial instruments, such as forward foreign exchange contracts, to hedge its foreign currency risks. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently remeasured at fair value, with changes in fair value recognised in Statement of Profit and Loss.

1.10 FAIR VALUE MEASUREMENT:

The Company measures financial instruments, such as, derivatives at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or or settle a liability in an ordinary transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or settle a liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) prices in active markets for identical assets or liabilities.
- Level 2 — other techniques for which all input which have a significant effect on the recorded fair value are observable, either directly or indirectly.
- Level 3 — Inputs which are not based on observable market data

1.11 EMPLOYEE BENEFITS

The Company has provides following post-employment plans:

- (a) Defined benefit plans such a gratuity and
- (b) Defined contribution plans such as Provident fund & ESIC

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019**a) Defined-benefit plan:**

The liability or asset recognised in the balance sheet in respect of defined benefit plan is the present value of defined benefit obligations at the end of the reporting period less fair value of plan assets. The defined benefit obligations are calculated annually by actuaries through actuarial valuation using the projected unit credit method.

The Company recognises the following changes in the net defined benefit obligation as an expense in the statement of profit and loss:

- (a) Service costs comprising current service costs, past-service costs, gains and losses on curtailment and non-routine settlements; and
- (b) Net interest expense or income

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and fair value of plan assets. This cost is included in employee benefit expenses in the statement of the profit & loss.

Re-measurement comprising of actuarial gains and losses arising from

- (a) Re-measurement of Actuarial(gains)/losses
- (b) Return on plan assets, excluding amount recognized in effect of asset ceiling
- (c) Re-measurement arising because of change in effect of asset ceiling

are recognised in the period in which they occur directly in Other comprehensive income. Re-measurement are not reclassified to profit or loss in subsequent periods.

Ind AS 19 requires the exercise of judgment in relation to various assumptions including future pay rises, inflation and discount rates and employee and pensioner demographics. The Company determines the assumptions in conjunction with its actuaries, and believes these assumptions to be in line with best practice, but the application of different assumptions could have a significant effect on the amounts reflected in the income statement, other comprehensive income and balance sheet. There may be also interdependency between some of the assumptions.

b) Defined-contribution plan:

Under defined contribution plans, provident fund, the Company pays pre-defined amounts to separate funds and does not have any legal or informal obligation to pay additional sums. Defined Contribution plan comprise of contributions to the employees' provident fund with the government, superannuation fund and certain state plans like Employees' State Insurance and Employees' Pension Scheme. The Company's payments to the defined contribution plans are recognised as expenses during the period in which the employees perform the services that the payment covers.

c) Other employee benefits:

- (a) Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related services are recognised as a liability at the present value of the obligation as at the Balance sheet date determined based on an actuarial valuation.
- (b) Undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognised during the period when the employee renders the related services.

1.12 LEASES

A lease is classified at the inception date as a finance lease or an operating lease. Leases under which the Company assumes substantially all the risks and rewards of ownership are classified as finance leases. When acquired, such assets are capitalized at fair value or present value of the minimum lease payments at the inception of the lease, whichever is lower. Lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognised in finance costs in the statement of profit and loss

Other leases are treated as operating leases, with payments are recognised as expense in the statement of profit & loss on a straight-line basis over the lease term.

1.13 FOREIGN CURRENCY TRANSACTIONS**a) Initial Recognition**

Transactions in foreign currency are recorded at the exchange rate prevailing on the date of the transaction. Exchange differences arising on foreign exchange transactions settled during the year are recognized in the Statement of Profit and Loss of the year.

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019**b) Measurement of Foreign Currency Items at the Balance Sheet Date**

Foreign currency monetary items of the Company are restated at the closing exchange rates. Non-monetary items are recorded at the exchange rate prevailing on the date of the transaction. Exchange differences arising out of these transactions are charged to the Statement of Profit and Loss.

1.14.1 TAX EXPENSES

The tax expense for the period comprises current and deferred tax. Tax is recognised in Statement of Profit and Loss, except to the extent that it relates to items recognised in the comprehensive income or in equity. In which case, the tax is also recognised in other comprehensive income or equity

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, based on tax rates and laws that are enacted or substantively enacted at the Balance sheet date

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit.

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

Minimum Alternative Tax ('MAT') credit is recognised as an asset only when and to the extent there is convincing evidence that the Company will pay normal income-tax during the specified period. The Company reviews the same at each balance sheet date and writes down the carrying amount of MAT credit entitlement to the extent there is no longer convincing evidence to the effect that Company will pay normal income-tax during the specified period.

1.15 PROVISIONS AND CONTINGENCIES

A provision is recognised if, as a result of a past event, the group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation.

Provisions for onerous contracts are recognized when the expected benefits to be derived by the Company from a contract are lower than the unavoidable costs of meeting the future obligations under the contract.

A disclosure for contingent liabilities is made where there is a possible obligation or a present obligation that may probably not require an outflow of resources or an obligation for which the future outcome cannot be ascertained with reasonable certainty. When there is a possible or a present obligation where the likelihood of outflow of resources is remote, no provision or disclosure is made.

1.16 CASH AND CASH EQUIVALENTS

Cash and Cash equivalents include cash and Cheque in hand, bank balances, demand deposits with banks and other short-term highly liquid investments that are readily convertible to known amounts of cash & which are subject to an insignificant risk of changes in value. Where original maturity is three months or less.

1.17 CASH FLOW STATEMENT

Cash flows are reported using the indirect method where by the profit before tax is adjusted for the effect of the transactions of a non-cash nature, any deferrals or accruals of past and future operating cash receipts or payments and items of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the company are segregated.

1.18 BORROWING COST

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of qualifying assets are capitalized as a part of Cost of that assets, during the period till all the activities necessary to prepare the Qualifying assets for its intended use or sale are complete during the period of time that is required to complete and prepare the assets for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

Other borrowing costs are recognized as an expense in the period in which they are incurred.

1.19 EARNINGS PER SHARE

Basic EPS is arrived at based on net profit after tax available to equity shareholders to the weighted average number of equity shares outstanding during the year.

The diluted EPS is calculated on the same basis as basic EPS, after adjusting for the effects of potential dilutive equity shares unless impact is anti-dilutive.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS AS AT 31st March 2019

(Rs in Lacs)

NOTE - 2: Property, Plant and Equipment

| | Land | Buildings | Electric Installations | Laboratory Equipments | Furniture & Fixture | Vehicles | Office Equipments | Total |
|---|-----------------|-----------------|------------------------|-----------------------|---------------------|---------------|-------------------|-----------------|
| Gross Block | | | | | | | | |
| Balance as at 1st April 2017 | 545.41 | 363.00 | 100.90 | 188.25 | 86.73 | 436.37 | 176.47 | 1,897.13 |
| Additions | 431.61 | - | - | - | - | 60.13 | 3.03 | 494.77 |
| Revaluation | 3114.62 | - | - | - | - | - | - | 3,114.62 |
| Deductions/ Adjustment | - | - | - | - | - | (75.11) | - | (75.11) |
| Balance as at 31st March 2018 | 4,091.64 | 363.00 | 100.90 | 188.25 | 86.73 | 421.39 | 179.50 | 5,431.41 |
| Accumulated Depreciation | | | | | | | | |
| Balance as at 1st April 2017 | - | 238.32 | 99.66 | 188.08 | 57.93 | 161.81 | 147.96 | 893.76 |
| Additions | - | 3.07 | 0.09 | 0.01 | 1.82 | 11.08 | 2.02 | 18.09 |
| Deductions/ Adjustment | - | - | - | - | - | (55.05) | - | (55.05) |
| Balance as at 31st March 2018 | - | 241.39 | 99.75 | 188.09 | 59.75 | 117.84 | 149.98 | 856.80 |
| Net carrying amount as at 1st April, 2017 | 545.41 | 124.68 | 1.24 | 0.17 | 28.80 | 274.56 | 28.51 | 1,003.37 |
| Net carrying amount as at 31st March, 2018 | 4,091.64 | 121.61 | 1.15 | 0.16 | 26.98 | 303.55 | 29.52 | 4,574.61 |
| Gross Block | | | | | | | | |
| Balance as at 1st April 2018 | 4,091.64 | 363.00 | 100.90 | 188.25 | 86.73 | 421.39 | 179.50 | 5,431.41 |
| Additions | 1168.03 | 1677.99 | - | - | - | - | 1.28 | 2,847.30 |
| Revaluation | - | - | - | - | - | - | - | - |
| Deductions/ Adjustment | 1,794.36 | - | - | - | - | - | 0.52 | 1,794.88 |
| Balance as at 31st March 2019 | 3,465.31 | 2,040.99 | 100.90 | 188.25 | 86.73 | 421.39 | 180.26 | 6,483.83 |
| Accumulated Depreciation | | | | | | | | |
| Balance as at 1st April 2018 | - | 241.39 | 99.75 | 188.09 | 59.75 | 117.84 | 149.98 | 856.80 |
| Additions | - | 26.26 | 0.09 | 0.01 | 1.82 | 11.08 | 2.02 | 41.28 |
| Deductions/ Adjustment | - | - | - | - | - | - | - | - |
| Balance as at 31st March 2019 | - | 267.65 | 99.84 | 188.10 | 61.57 | 128.92 | 152.00 | 898.08 |
| Net carrying amount as at 31st March 2018 | 4,091.64 | 121.61 | 1.15 | 0.16 | 26.98 | 303.55 | 29.52 | 4,574.61 |
| Net carrying amount as at 31st March 2019 | 3,465.31 | 1,773.34 | 1.06 | 0.15 | 25.16 | 292.47 | 28.26 | 5,585.75 |

(Rs in Lacs)

| | As at 31st March, 2019 | As at 31st March, 2018 |
|---|------------------------|------------------------|
| NOTE - 3: Capital Work-In-Progress | | |
| Capital Work-In-Progress | 544.94 | 1,724.15 |
| Total | 544.94 | 1,724.15 |

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019

(Rs in Lacs)

| | As at 31st March, 2019 | As at 31st March, 2018 |
|--|---------------------------|---------------------------|
|--|---------------------------|---------------------------|

NOTE - 4: FINANCIALS ASSETS
i. INVESTMENTS
Unquoted
(a) Investment in Equity shares
(i) In associate companies (At Cost)

| | | | | |
|-------|---------|--|------|------|
| 170 | (170) | Equity Shares of Anil Dyechem Ind. Pvt. Ltd. of Rs. 1000/- each fully paid up | 3.42 | 3.42 |
| 4500 | (4500) | Equity Shares of Dual Metals Pvt.Ltd. Share A/c of of Rs. 10/- each fully paid up | 0.45 | 0.45 |
| 4500 | (4500) | Equity Shares of D K Metro Procon Pvt.Ltd. Share A/c of of Rs. 10/- each fully paid up | 0.45 | 0.45 |
| 45000 | (45000) | Equity Shares of Rian Chemicals Pvt.Ltd. Share A/c of of Rs. 10/- each fully paid up | 4.50 | 4.50 |

| | | |
|---|---------|---|
| Add : Profit/loss on consolidation as per equity Method of Associates/LLP | (16.55) | - |
|---|---------|---|

(iii) Other companies (At Fair Value)

| | | | | |
|-----|-------|--|------|------|
| 200 | (200) | Equity Shares of Green Environment Services Co-op Society Ltd. of Rs. 100/- each fully paid up | 0.20 | 0.20 |
|-----|-------|--|------|------|

| | | |
|---|---------------|-------------|
| Aggregate amount of Unquoted Investments | (7.53) | 9.02 |
|---|---------------|-------------|

Quoted

| | | |
|---|---------|---------|
| (a) Shares of Listed Companies (At Fair Value) | 1278.15 | 1061.56 |
| (b) Investment in debentures or bonds (At Fair Value) | 475.81 | 510.04 |

| | | |
|---|-----------------|-----------------|
| Aggregate amount of Quoted Investments | 1,753.96 | 1,571.60 |
|---|-----------------|-----------------|

| | | |
|--------------|-----------------|-----------------|
| TOTAL | 1,746.43 | 1,580.62 |
|--------------|-----------------|-----------------|

ii. Deposits & Other financial assets

| | | |
|---|--------|-------|
| (a) Security Deposits other than Government | 875.34 | 15.84 |
|---|--------|-------|

NOTE - 5 : OTHER NON CURRENT ASSETS
Long Term Loans and advances to Related Parties

| | | |
|---|---------|---------|
| a) Loans and advances to Partnership Firms in which the company is Partner (Unsecured, considered good) | 2522.48 | 2091.15 |
|---|---------|---------|

| | | |
|---|--------|--------|
| b) Loans and advances to company in which the company is a shareholder (Unsecured, considered good) | 685.00 | 831.49 |
|---|--------|--------|

Long Term Loans and advances to Suppliers, Contractors & others

| | | |
|--------------------------|---------|---------|
| Secured, considered good | 2734.35 | 2736.35 |
|--------------------------|---------|---------|

| | | |
|----------------------------|--------|--------|
| Unsecured, considered good | 190.28 | 345.62 |
|----------------------------|--------|--------|

| | | |
|---------------------|---|---|
| considered doubtful | - | - |
|---------------------|---|---|

| | | |
|-------------------------------|---|---|
| Less: Provision for bad debts | - | - |
|-------------------------------|---|---|

| | | |
|------------------|-----------------|-----------------|
| Sub-Total | 6,132.11 | 6,004.61 |
|------------------|-----------------|-----------------|

| | | |
|------------------------------|---|-------|
| Deferred Revenue Expenditure | - | 17.01 |
|------------------------------|---|-------|

| | | |
|------------------|----------|--------------|
| Sub-Total | - | 17.01 |
|------------------|----------|--------------|

| | | |
|--------------|-----------------|-----------------|
| Total | 6,132.11 | 6,021.62 |
|--------------|-----------------|-----------------|

Current Assets
NOTE - 6 : INVENTORIES

Stock in Trade :

| | | |
|---|----------|--------|
| Traded Goods (at lower of cost or net realizable value) | 4,357.18 | 661.05 |
|---|----------|--------|

| | | |
|---|---|----------|
| Work in Process of Real Estate projects (at cost) | - | 1,168.03 |
|---|---|----------|

| | | |
|------------------|-----------------|-----------------|
| Sub-Total | 4,357.18 | 1,829.08 |
|------------------|-----------------|-----------------|

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019

(Rs in Lacs)

| | As at 31st March, 2019 | As at 31st March, 2018 |
|--|---------------------------|---------------------------|
|--|---------------------------|---------------------------|

NOTE - 7 : TRADE RECEIVABLES

| | | |
|---|-----------------|-----------------|
| Due over six months | | |
| - considered good | - | - |
| - considered doubtful | 329.06 | 329.06 |
| Less: Provison for bad debts | (329.06) | (329.06) |
| Others (considered good) | | |
| (b) Other receivables (Unsecured considered good) | 1118.82 | 6465.46 |
| Sub-Total | 1,118.82 | 6,465.46 |

NOTE - 8 : CASH AND CASH EQUIVALENTS

| | | |
|-------------------------|---------------|--------------|
| (a) Balances with banks | 341.29 | 72.18 |
| (b) Cash on hand | 1.60 | 2.90 |
| Total | 342.89 | 75.08 |

NOTE - 9 : OTHER BANK BALANCES

| | | |
|--|-----------------|-----------------|
| (a) Earmarked balances with banks : Balance in Dividend Accounts | 5.17 | 5.03 |
| (b) Fixed Deposits | 1,382.84 | 974.46 |
| (c) Balances In Liquid Funds | 7,799.69 | 6,359.12 |
| | 9,187.70 | 7,338.61 |

NOTE - 10 : OTHER CURRENT ASSETS

| | | |
|--|------------------|------------------|
| a) Deposits with Other Companies | | |
| Unsecured, considered good | 82.93 | 712.06 |
| b) Balances with Government | 266.59 | 310.24 |
| c) Loans and advances to Suppliers, Contractors & others | | |
| Secured, considered good | 0.00 | 0.00 |
| Unsecured, considered good | 10405.52 | 12179.22 |
| d) Income Tax Refund Receivable /MAT cr | 922.11 | 894.03 |
| Total | 11,677.15 | 14,095.55 |

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019
Note No. 11
Statement of Changes in Equity for the year ended 31st March' 2019
(Rs in Lacs)
A) Equity Share Capital :

| Particulars | Balance as at 1st April, 2017 | Changes in equity share capital during the 2017-18 | Balance as at 31st March' 2018 | Balance as at 31st March, 2018 | Changes in equity share capital during the 2018-19 | Balance as at 31st March' 2019 |
|---|-------------------------------|--|--------------------------------|--------------------------------|--|--------------------------------|
| 16326742 (16326742) Equity Shares of Rs. 10 each fully paid up | 1,632.67 | - | 1,632.67 | 1,632.67 | - | 1,632.67 |

B) OTHER EQUITY :
(Rs in Lacs)

| Particulars | Reserve and Surplus | | | | Revaluation Reserve | Retained Earnings | TOTAL OTHER EQUITY |
|---|---------------------|-----------------|----------------------------|--------------------|---------------------|-------------------|--------------------|
| | General Reserve | Capital Reserve | Capital Redemption Reserve | Securities Premium | | | |
| Balances as at 1st April, 2017 | 17,383.96 | 1,076.05 | 1,500.00 | 10,253.97 | - | (4,383.12) | 25,830.86 |
| Addition/-Reduction During the year | | | | | | | |
| Income for the year | | | | | 3,114.62 | | 3,114.62 |
| Profit during the year | | | | | | 1,787.00 | 1,787.00 |
| Other Comprehensive Income net off tax | | | | | | 9.50 | 9.50 |
| Cost of Control in Subsidiary share of profit /(loss) of Minority of MCTL & Cum Dividend related to preference shareholders | (6.62) | | | | | | (6.62) |
| Add : Profit/loss on consolidation as per equity Method of Aociates/LLP | (3.08) | | | | | | (3.08) |
| Balance as at 31st March' 2018 | 17,374.26 | 1,076.05 | 1,500.00 | 10,253.97 | 3,114.62 | (2,586.62) | 30,732.28 |
| Addition/-Reduction During the year | | | | | | | |
| Income for the year | | | | | (1,188.79) | | (1,188.79) |
| Profit during the year | | | | | | 1,263.95 | 1,263.95 |
| Other Comprehensive Income net off tax | | | | | | 91.23 | 91.23 |
| Cost of Control in Subsidiary share of profit /(loss) of Minority of MCTL & Cum Dividend related to preference shareholders | 13.33 | | | | | | 13.33 |
| Add : Profit/loss on consolidation as per equity Method of Aociates/LLP | (0.40) | | | | | | (0.40) |
| Balance as at 31st March' 2019 | 17,387.19 | 1,076.05 | 1,500.00 | 10,253.97 | 1,925.83 | (1,247.99) | 30,895.05 |

(Rs in Lacs)
As at 31st March, 2019 **As at 31st March, 2018**
Non-Current Liabilities-Financial Liabilities
NOTE - 12 : Long Term Borrowings- At Amortised Cost
Secured-

| | | |
|---|--------|--------|
| Indian Rupee loan from ICICI Bank Limited | 374.29 | 283.90 |
|---|--------|--------|

(The loan is secured by mortgage over flat in scheme ADANI Heights owned by the company located at Mumbai) The loan is repayable in 240 monthly installments from the month in which construction is completed.

| | | |
|------------------|---------------|---------------|
| sub total | 374.29 | 283.90 |
|------------------|---------------|---------------|

Unsecured- At Amortised Cost

| | | |
|---|----------|----------|
| Other Unsecured Loan from Corporate Bodies (associate companies) / directors which is expected to be paid within a period of 2-5 years. | 1,437.78 | 2,751.13 |
|---|----------|----------|

| | | |
|------------------|-----------------|-----------------|
| sub total | 1,437.78 | 2,751.13 |
|------------------|-----------------|-----------------|

| | | |
|--------------|-----------------|-----------------|
| Total | 1,812.07 | 3,035.03 |
|--------------|-----------------|-----------------|

NOTE - 13 : DEFERRED TAX LIABILITIES

| | | |
|--------------------------|---|-------|
| Deferred Tax Liabilities | - | 46.07 |
|--------------------------|---|-------|

| | | |
|--------------|----------|--------------|
| Total | - | 46.07 |
|--------------|----------|--------------|

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019

(Rs in Lacs)

| | As at 31st March, 2019 | As at 31st March, 2018 |
|--|---------------------------|---------------------------|
|--|---------------------------|---------------------------|

NOTE - 14 : BORROWINGS-CURRENT
Secured -At Amortised Cost

| | | |
|--------------------------------------|-----------------|-----------------|
| Working Capital Loans - From Banks | 1,155.58 | 2,380.79 |
| Unsecured Loan from Corporate Bodies | - | 480.94 |
| Unsecured Loan from Directors | - | 926.34 |
| sub total | 1,155.58 | 3,788.07 |

Working Capital Facilities

- 1) State Bank of India
- 2) Kotak Mahindra Bank
- 3) HDFC Bank
- 4) Deutsche Bank

Terms: Repayable on Demand
Security

- 1) Working capital loan from State Bank of India is secured by present and future book debts and inventories of the Company, personal guarantee of the promoter directors.
- 2) Dropline OD / working cap facility of Kotak Mahindra Bank against mortgage of property of Director
- 3) OD / working cap facility of HDFC Bank and Deutsche Bank is against pledge of Mutual funds.

NOTE - 15 : TRADE PAYABLES

| | | |
|----------------|-----------------|-----------------|
| Trade payables | 5,473.28 | 3,914.84 |
| Total | 5,473.28 | 3,914.84 |

*Principal amount due to suppliers registered under the MSMED Act and remaining unpaid as at year end

Interest due to suppliers registered under the MSMED Act and remaining unpaid as at year end

Principal amounts paid to suppliers registered under the MSMED Act, beyond the appointed day during the year

| | | |
|--|-----|-----|
| | NIL | NIL |
|--|-----|-----|

Interest paid, other than under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year

Interest paid, under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year

Interest due and payable towards suppliers registered under MSMED Act, for payments already made

Further interest remaining due and payable for earlier years

NOTE - 16 : Other Financial Liabilities

| | | |
|--|---------------|---------------|
| Other Payables for dividend/outstanding exp/other payables | 185.69 | 374.51 |
| Total | 185.69 | 374.51 |

NOTE - 17 : Other Current Liabilities

| | | |
|---------------------------|--------------|--------------|
| Other Current Liabilities | 15.44 | 13.60 |
| Total | 15.44 | 13.60 |

NOTE - 18 : Provisions

| | | |
|--|---------------|--------------|
| Provision for Expenses and other current liabilities | 257.67 | 11.17 |
| Total | 257.67 | 11.17 |

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019

| | For the year ended 31st March, 2019 in Lacs | For the year ended 31st March, 2018 in Lacs |
|--|--|--|
| NOTE- 19 : REVENUE FROM OPERATIONS | | |
| SALES - Domestic | 31,432.95 | 30,989.48 |
| - Exports | - | - |
| | 31,432.95 | 30,989.48 |
| Less: Excise Duty | - | - |
| | 31,432.95 | 30,989.48 |
| Interest Income | 1,799.75 | 1,806.22 |
| Total | 33,232.70 | 32,795.70 |
| Sale of products comprises : | | |
| <u>Manufactured goods</u> | | |
| Dyes Intermediates | | |
| Local | - | - |
| Export | - | - |
| Total - Sale of manufactured goods | - | - |
| <u>Traded goods</u> | | |
| Dyes intermediates and other traded products | 31,432.95 | 30,989.48 |
| Total - Sale of traded goods | 31,432.95 | 30,989.48 |
| Total - Sale of products | 31,432.95 | 30,989.48 |

NOTE- 20 : OTHER INCOME

| | | |
|--|---------------|-----------------|
| Profit /(loss) on Sale of Fixed Assets (Net) | 276.05 | (6.99) |
| Misc. Income | 50.36 | 20.72 |
| Profit/(loss) on Sale of Investments (Net) | (18.65) | 1,056.15 |
| Dividend income | 29.33 | 28.32 |
| Total | 337.09 | 1,098.20 |

**NOTE- 21 : (INCREASE)/DECREASE IN FINISHED GOODS,
WORK IN PROGRESS & STOCK IN TRADE**

| | | |
|----------------------------------|-------------------|-----------------|
| Stock at the Commencement : | | |
| Finished Goods (traded products) | 660.95 | 332.02 |
| Stock at the End : | | |
| Finished Goods (traded products) | 4,357.09 | 660.95 |
| Total | (3,696.14) | (328.93) |

NOTE- 22 : EMPLOYEE BENEFIT EXPENSE

| | | |
|--|---------------|---------------|
| Salaries, Wages and Bonus | 136.29 | 101.68 |
| Contribution to Provident Fund, Family Pension Fund & other contribution | 7.55 | 9.08 |
| Workers & Staff Welfare Expenses | 2.46 | 1.96 |
| Total | 146.30 | 112.72 |

NOTE- 23 : FINANCIAL COST

| | | |
|----------------------|---------------|---------------|
| Interest expenditure | 206.46 | 154.35 |
| Total | 206.46 | 154.35 |

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019

| | For the year ended 31st March, 2019 in Lacs | For the year ended 31st March, 2018 in Lacs |
|--|--|--|
| NOTE- 24 : OTHER EXPENSES | | |
| Water, Power & Fuel | 6.59 | 8.68 |
| Other Misc. Factory Expenses | 1.21 | 1.56 |
| Rates & Taxes | 5.03 | 7.64 |
| Insurance | 8.38 | 2.38 |
| Postage, Telephone & Stationery | 11.45 | 11.15 |
| Legal & Consultancy Expenses | 59.50 | 88.22 |
| Other Administration Expenses | 35.09 | 38.03 |
| Bad debts | - | 440.79 |
| Audit Fees | 6.40 | 6.41 |
| Donation | 130.31 | 49.82 |
| Deferred Revenue Expenditure | 5.06 | 5.06 |
| Bill discounting cost & other bank charges | 200.48 | 13.23 |
| Sales Promotion Expenses | 43.82 | 54.78 |
| Inland Freight & Cartage & RM exp | 184.38 | 65.30 |
| Total | 697.40 | 793.35 |

NOTE- 25 : EXCEPTIONAL ITEMS (EXPENSE/-INCOME)

| | | |
|---|---------------|----------|
| Income on transfer of Revaluation Reserve | (1,188.79) | - |
| Arbitration Expense | 1,700.00 | - |
| Total | 511.21 | - |

NOTE - 26 : FINANCIAL INSTRUMENTS

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The following methods and assumptions were used to estimate the fair values:

1. Fair value of cash and short-term deposits, trade and other short term receivables, trade payables, other current liabilities, short term loans from banks and other financial institutions approximate their carrying amounts largely due to short term maturities of these instruments.
2. Financial instruments with fixed and variable interest rates are evaluated by the Company based on parameters such as interest rates and individual credit worthiness of the counterparty. Based on this evaluation, allowances are taken to account for expected losses of these receivables. Accordingly, fair value of such instruments is not materially different from their carrying amounts.

The Financial Instruments are categorised in two level based on the inputs used to arrive at fair value measurements as described below:-

Level 1: quoted (unadjusted) prices in active markets for identical assets or liabilities.

Level 2: other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly.

Level 3: Inputs which are not based on observable market data

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019

The carrying amounts and fair values of financial instruments by category are as follows:

a. Financial assets (RS in Lacs)

| Particulars | As at 31st March 2019 | | | As at 31st March 2018 | | |
|------------------------------|-----------------------|------------------------|---------|-----------------------|------------------------|---------|
| | Carrying Amount | Level of Input Used In | | Carrying Amount | Level of Input Used In | |
| | Level 3 | Level 1 | Level 2 | Level 3 | Level 1 | Level 2 |
| Financial Assets | | | | | | |
| At Amortised Cost | | | | | | |
| Trade receivables | 1,118.82 | - | - | 6,465.46 | - | - |
| Cash and cash equivalents | 342.89 | - | - | 75.08 | - | - |
| Other Bank Balance | 9,187.70 | - | - | 7,338.61 | - | - |
| At FVTPL | | | | | | |
| Trade receivables | - | - | - | - | - | - |
| Cash and cash equivalents | - | - | - | - | - | - |
| Other Bank Balance | - | - | - | - | - | - |
| At FVTOCI | | | | | | |
| Trade receivables | - | - | - | - | - | - |
| Cash and cash equivalents | - | - | - | - | - | - |
| Other Bank Balance | - | - | - | - | - | - |
| Financial Liabilities | | | | | | |
| Borrowings | 1,155.58 | - | - | 3,788.07 | - | - |
| Trade payables | 5,473.28 | - | - | 3,914.84 | - | - |
| Other financial liabilities | 185.69 | - | - | 374.51 | - | - |

Note 27—Financial Risk Management
Financial risk management objectives and policies

The company's principal financial liabilities comprises of loans and borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include mutual funds, trade and other receivable and cash and cash equivalents that derive directly from its operations. The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks. The senior management ensures that the Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. The Company does not enter into or trade financial instruments, including derivative financial instruments, for speculative purpose. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarized below :

Market risk is the risk that changes in market prices-such as foreign exchange rates, interest rates and equity prices will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters while optimizing the return. The major components of market risk are foreign currency risk and interest rate risk .

(i) Market Risk- Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's main interest rate risk arises from the long term borrowings with fixed rates. The Company's fixed rates borrowings are carried at amortized cost. The Company invests the surplus fund generated from operations in mutual funds. Considering these mutual funds are short term in nature, there is no significant interest rate risk. The Company has laid policies and guidelines including tenure of investment made to minimize impact of interest rate risk

Exposure to interest rate risk

| Particulars | (Rs in Lacs) | |
|--|------------------------|------------------------|
| | As at 31st March, 2019 | As at 31st March, 2018 |
| Borrowings bearing variable rate of interest | 1,155.58 | 2,380.79 |
| Borrowings bearing Fixed rate of interest | 1,812.07 | 4,442.31 |

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019
(ii) Market Risk- Foreign currency risk.

Foreign currency risk is the risk that the fair fluctuate because in foreign exchange rates. The Company does not have material foreign currency exposure as at balance sheet date. Hence, it does not have any significant foreign currency risk.

(iii) Credit risk

Credit risk arises from the possibility that the counter party may not be able to settle their obligations as agreed. To manage this, the company periodically assess financial reliability of customer, taking into account the financial condition, current economic trends, and analysis of historical bad debts and ageing of accounts receivable. Individual risk limits are set accordingly.

The company considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis through each reporting period. To assess whether there is a significant increase in credit risk the company compares the risk of default occurring on asset as at the reporting date with the risk of default as at the date of initial recognition. It considers reasonable and supportive forwarding-looking information such as:

- i) Actual or expected significant adverse changes in business,
- ii) Actual or expected significant changes in the operating results of the counterparty,
- iii) Financial or economic conditions that are expected to cause a significant change to the counterparty's ability to meet its obligations,
- iv) Significant increase in credit risk on other financial instruments of the same counterparty,
- v) Significant changes in the value of the collateral supporting the obligation or in the quality of the third-party guarantees or credit enhancements .

Ageing of Account receivables

| | As at 31st March, 2019 | As at 31st March, 2018 |
|-----------------|-----------------------------------|-----------------------------------|
| 0-6 months | 1,118.82 | 6,465.46 |
| beyond 6 months | - | - |
| Total | 1,118.82 | 6,465.46 |

(iv) Liquidity Risk

Liquidity risk is defined as the risk that the company will not be able to settle or meet its obligations on time, or at a reasonable price. The company's treasury department is responsible for liquidity, funding as well as settlement management. In addition, processes and policies related such risk are overseen by senior management. Management monitors the company's net liquidity position through rolling forecasts on the basis of expected cash flows.

The company had access to following undrawn Borrowing facilities at end of reporting period:

| | As at 31st March, 2019 | As at 31st March, 2018 |
|---|-----------------------------------|-----------------------------------|
| Variable Borrowing -Cash Credit expires within 1 year | 1,155.58 | 2,380.79 |

(v) Capital risk management

The primary objective of the Company's capital management is to maximise the shareholder value. The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants.

The Company Monitors Capital on the basis of the following debt equity ratio:-

| Particulars | As at 31st March, 2019 | As at 31st March, 2018 |
|---------------------------------|-----------------------------------|-----------------------------------|
| Net Debt | 2,967.65 | 6,823.10 |
| Total Equity | 32,668.58 | 32,537.33 |
| Net Debt to Total Equity | 9.08% | 20.97% |

1.1 Optional exemptions availed
i) Fair value measurement of financial assets or financial liabilities at Initial Recognition

Company has elected to apply requirement in paragraph B5.1.2A of Ind AS 109 prospectively to transactions entered into on or after the date of transition to Ind ASs.

II) Deemed Cost

The Company has elected to measure all its intangible assets at the previous GAAP carrying amount as its deemed cost on the date of transition to Ind AS.

1.2 Applicable mandatory exceptions
i) Estimates

The estimates are consistent with those made for the same dates in accordance with previous GAAP (after adjustments to reflect any differences in accounting policies, if any) apart from the following items where application of previous GAAP did not require estimation:

- FVTPL investments
- FVTOCI – debt securities
- Impairment of financial assets based on expected credit loss model

II) Classification and measurement of financial assets

As required under Ind AS 101, the classification of financial assets to be measured at amortised cost or fair value through other comprehensive income is made on the basis of the facts and circumstances that existed on the date of transition to Ind AS.

- 2) The amounts in the Balance Sheet and Statement of Profit and Loss are rounded off to the nearest thousand and indicated in lacs of rupees.
- 3) Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosure.
- 4) The Company has constituted a Corporate Social Responsibility (CSR) Committee and has framed a CSR Policy. The brief details of CSR Committee are provided in the Corporate Governance Report. The Annual Report on CSR activities is annexed to this Report.
- 5) Company has not received any intimation from the suppliers regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 and hence disclosures, if any, relating to amounts unpaid as at the year end together with interest paid / payable as required under the said Act have not been given.
- 6) No commission (Previous Year Rs. NIL) has been paid to the Managing Director / Dy. Managing Director for the year under review in view of resolution passed by the Board of directors and as agreed by the Managing Director.
- 7) Director's Remuneration :

| | (Rs./Lacs) | |
|--|------------|---------|
| Particulars | 2018-19 | 2017-18 |
| i.) Salary | 75.19 | 34.83 |
| ii.) Contribution to Provident & other Funds | 1.97 | 1.55 |
| iii.) Other Perquisites | 12.93 | 11.6 |
| Total: | 90.09 | 47.98 |

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019

- 8) The Company is engaged in the business of Dyes and Dyes Intermediates Manufacturing, Infrastructure and Reality Segment, Trading and finance during the financial year under review, are considered reportable business segments. Business segment information have been reported as below :

INFORMATION ABOUT BUSINESS SEGMENTS

| | Rs in Lacs | | | | | | | | | |
|---|------------------------------------|---------------|----------------------------|---------------|-------------------|---------------|--------------------|---------------|--------------------|---------------|
| | Dyes & Intermediates Manufacturing | | Infrastructure and Reality | | Trading & Finance | | Others Unallocable | | TOTAL CONSOLIDATED | |
| | Current Year | Previous Year | Current Year | Previous Year | Current Year | Previous Year | Current Year | Previous Year | Current Year | Previous Year |
| REVENUE | | | | | | | | | | |
| External Sales | 0.00 | 0.00 | 0.00 | 0.00 | 31432.95 | 30989.48 | 0.00 | 0.00 | 31432.95 | 30989.48 |
| Inter Segment Sales | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Interest & Dividend Income | 0.00 | 0.00 | 165.08 | 221.12 | 1634.67 | 1585.10 | 0.00 | 0.00 | 1799.75 | 1806.22 |
| Total Revenue | 0.00 | 0.00 | 165.08 | 221.12 | 33067.62 | 32574.58 | 0.00 | 0.00 | 33232.70 | 32795.70 |
| Interest expense | 0.00 | 0.00 | 0.00 | 0.00 | 206.46 | 154.35 | 0.00 | 0.00 | 206.46 | 154.35 |
| Profit before tax | 276.05 | 0.00 | 165.08 | 221.12 | 1212.21 | 2115.88 | 0.00 | 0.00 | 1653.34 | 2337.00 |
| Income taxes/Deferred ta | 0.00 | 0.00 | 0.00 | 0.00 | 389.39 | 550.00 | 0.00 | 0.00 | 389.39 | 550.00 |
| Profit /(loss) After Tax before prior period | 276.05 | 0.00 | 165.08 | 221.12 | 822.82 | 1565.88 | 0.00 | 0.00 | 1263.95 | 1787.00 |
| Pripr Period expenditure | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Profit /(loss) After Tax after prior period(Before comprehensive income) | 276.05 | 0.00 | 165.08 | 221.12 | 822.82 | 1565.88 | 0.00 | 0.00 | 1263.95 | 1787.00 |
| Capital Employed | 2293.99 | 4088.35 | 4426.88 | 4970.19 | 25818.65 | 23180.45 | 0.00 | 0.00 | 32539.52 | 32238.99 |

Previous Year figures have been regrouped/reclassified wherever necessary to correspond with the figures for the figures for the year under review.

9) **Related Party Disclosures as per Indian Accounting Standard**

List of Related Parties with whom transactions have taken place during the year

- (i) List of Related party and their relationships:

| Sr No | Name of the Related Party |
|----------|---|
| a | Other Related /Asscoiated companies with whom the Company had transactions |
| 1 | Anil Dyechem Industries Pvt. Ltd. |
| 2 | Harvest Tradelink Pvt. Ltd. |
| 3 | Maiden Tradefin Pvt. Ltd. |
| 4 | DK Metro Procon Private Limited |
| 5 | Dual Metals Pvt. Ltd. |
| 6 | Rian Chemicals Pvt. Ltd. |
| b | Entity over which Company has joint control |
| 1 | Ganesh Infrastructure |
| 2 | PMZ Developers |
| 3 | Keshvaji Developers |
| 4 | Metro Apptech LLP |
| 5 | Myspace Infracon LLP |
| c | Key Managerial Personnel |
| 1 | Shri Gautam M. Jain |
| 2 | Shri Rahul G. Jain |

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019
(ii) Details of transactions with related parties & Balance Outstanding as at the year end:

| | | | | | (Rs. In Lacs) |
|--------------|--|-----------------|---|-----------------------|-----------------|
| Sr. No. | Nature of Transactions | Subsidiaries | Associates Companies/LLP/ Partnership Firms | Key Mgt. Personnel | Total |
| 1 | Remuneration/sitting fees | - | 92.50 | - | 92.50 |
| 2 | Lease Rent/ Shed Rent paid | - | 2.64 | - | 2.64 |
| 3 | Interest expenses on intercorporate deposits taken | 147.57 | 13.75 | - | 161.32 |
| 4 | Outstanding intercorporate deposits payable | 1,378.56 | 71.63 | - | 1,450.19 |
| 5 | Interest receivables | 8.82 | - | - | 8.82 |
| 6 | Investment in shares of associate companies | 101.46 | - | - | 101.46 |
| 7 | Outstanding loans receivable | 3,277.59 | - | - | 3,277.59 |
| Total | | 4,914.00 | 180.52 | - | 5,094.52 |

Notes :

No amounts in respect of related parties have been written off/written back/provided for during the year. Related party relationships have been identified by the management and relied upon by the auditors.

10) DISCLOSURE PURSUANT TO IND AS - 19 “EMPLOYEE BENEFITS”

- i) **Gratuity:** In accordance with the applicable laws, the Company provides for gratuity, a defined benefit retirement plan (“The Gratuity Plan”) covering eligible employees. The Gratuity Plan provides for a lump sum payment to vested employees on retirement (subject to completion of five years of continuous employment), death, incapacitation or termination of employment that are based on last drawn salary and tenure of employment. Liabilities with regard to the Gratuity Plan are determined by actuarial valuation on the reporting date and the Company makes annual contribution to the gratuity fund administered by Reliance Nippon life Insurance Company & Future Generali life Insurance Co limited

The disclosure in respect of the defined Gratuity Plan are given below:

A. Balance Sheet
Defined benefit plans

| | | | | Amount In Rs.) | | |
|-------------------------------------|--|--|--|---------------------------|---------------------------|---------------------------|
| | | | | As at 31st March, 2019 | As at 31st March, 2018 | As at 31st March, 2017 |
| Present value of plan liabilities | | | | 36,58,633 | 35,96,673 | 31,98,189 |
| Fair value of plan assets | | | | 37,53,269 | 33,11,673 | 30,83,189 |
| Asset/(Liability) recognised | | | | 94,636 | (2,85,000) | (1,15,000) |

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019
B. Movements in plan assets and plan liabilities

| | (Amount In Rs.) |
|---|-------------------------------------|
| | Present value of obligations |
| As at 1st April 2018 | 35,96,673 |
| Current service cost | 1,75,611 |
| Past service cost | - |
| Interest Cost/(Income) | 2,69,559 |
| Liability transferred in/ acquisition | |
| Adjustments to opening fair Value of Plan Assets | - |
| Actuarial (gain)/loss arising from changes in demographic assumptions | - |
| Actuarial (gain)/loss arising from changes in financial assumptions | 3,32,325 |
| Actuarial (gain)/loss arising from experience adjustments | - |
| Employer contributions | - |
| Benefit payments | (50,885) |
| As at 31st March 2019 | 36,58,633 |
| As at 1st April 2017 | 31,98,189 |
| Current service cost | 99,086 |
| Past service cost | - |
| Interest Cost/(Income) | 2,39,299 |
| Return on plan assets excluding amounts included in net finance income/cost | |
| Actuarial (gain)/loss arising from changes in demographic assumptions | - |
| Actuarial (gain)/loss arising from changes in financial assumptions | - |
| Actuarial (gain)/loss arising from experience adjustments | - |
| Employer contributions | 2,28,484 |
| Benefit payments | - |
| As at 31st March 2018 | 35,96,673 |

C. Assumptions

With the objective of presenting the plan assets and plan liabilities of the defined benefits plans at their fair value on the balance sheet, assumptions under Ind AS 19 are set by reference to market conditions at the valuation date.

The significant actuarial assumptions were as follows:

| | As at 31st March, 2019 | As at 31st March, 2018 | As at 31st March, 2017 |
|---|--|--|--|
| Financial Assumptions | | | |
| Discount rate | 7.99% | 7.99% | 7.99% |
| Salary Escalation Rate | 5.00% | 5.00% | 5.00% |
| Expected Return on Plan Assets | 7.99% | 7.99% | 7.99% |
| Rate of Employee Turnover | 5.00% | 5.00% | 5.00% |
| Mortality Rate During Employment | Indian Assured Lives Mortality (2006-08) | Indian Assured Lives Mortality (2006-08) | Indian Assured Lives Mortality (2006-08) |
| Mortality Rate After Employment | N.A. | N.A. | N.A. |
| Demographic Assumptions | | | |
| Mortality in Service : Indian Assured Lives Mortality (2006-08) | | | |

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019
D. The defined benefit obligations shall mature after year end 31st March, 2019 as follows:

(Amount In Rs.)

| Year ending | Defined benefit obligation |
|--------------------|-----------------------------------|
| 31st March, 2019 | 21,62,048 |
| 31st March, 2020 | 5,22,315 |
| 31st March, 2021 | 5,22,315 |
| 31st March, 2022 | 5,22,315 |
| 31st March, 2023 | 5,22,315 |
| 31st March, 2024 | 5,22,315 |
| Thereafter | 9,12,178 |

E Sensitivity Analysis

(Amount In Rs.)

| Particulars | As at 31st March, 2019 |
|---|-------------------------------|
| Projected Benefit Obligation on Current Assuptions | 36,58,633 |
| Delta Effect of + 1% Change in Rate of Discounting +4.6 | 38,27,197 |
| Delta Effect of - 1% Change in Rate of Discounting -4.00 | 35,11,292 |
| Delta Effect of + 1% Change in Rate of Salary Increase -4.2 | 35,06,789 |
| Delta Effect of + 1% Change in Rate of Salary Increase -+4.3 | 38,14,642 |
| Delta Effect of + 1% Change in Rate of Employee Turnover -0.6 | 36,38,076 |
| Delta Effect of - 1% Change in Rate of Employee Turnover 0.5 | 36,77,452 |

- 11) i) In the Opinion of the Management, any of the assets other than fixed assets and non-current investments have value on realization in the ordinary course of business at least equal to the amount at they are stated. The accounts of certain Trade Receivables, Trade Payables, Loans and Advances are however, subject to formal confirmations/reconciliations and consequent adjustments, if any. The management does not expect any material difference affecting the current year's financial statements on such reconciliation/ajustments.
- ii) During the year part of land is sold and revaluation reserve pertaining to the land sold is transferred from revaluation reserve to statement of profit and loss .
- iii) During the year company has paid amount of Rs 17,00,00,000 to Huntsman International India Pvt Ltd under Arbitration case and has settled the dispute with them.
- iv) No provision for interest has been made for loans and advances given to some of the parties as counter parties not able to make repayment of due amount and company will make provision for such interest in the year of realization as prudent practise by the company in respect of such parties.
- v) During the year, land of the company located at chatral has been reclassified by the company as fixed asset instead of earlier held as WIP.
- vi) Rs 0.32 Lacs being net loss (Previous year Rs.1.68 lacs being net gain) on account of exchange difference have been adjusted in the respective heads of account in the profit & loss account.

12) The Deferred Tax Assets & Liabilities for the year comprise of the following:

| Particulars | (Rs./Lacs) | |
|--------------------------|------------|---------|
| | 2018-19 | 2017-18 |
| Defered Tax Asset | 0 | 46.07 |

13) Auditors' Remuneration

(Rs. In Lacs)

| Particulars | 2018-19 | 2017-18 |
|--------------------|----------------|----------------|
| Audit Fees | 6.41 | 6.41 |
| Service Tax /GST | 1.15 | 1.13 |
| Total | 7.56 | 7.54 |

14) Calculation of Earning Per Share (EPS):

| | | |
|---|----------|----------|
| Numerator: | | |
| Profit after tax | 1,355.18 | 1,796.50 |
| Denominator: Weighted Average Equity Shares (No.) in Lacs | 163.267 | 163.267 |
| Face Value | 10 | 10 |
| Basic and Diluted Earning Per Share | 8.30 | 11.00 |

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019

15) (i) Contingent liabilities not provided for in respect of (Rs. In Lacs)

| Particulars | As at 31st March, 2019 | As at 31st March, 2018 |
|---|---------------------------|---------------------------|
| Income Tax | 386.11 | 386.11 |
| VAT/Sales Tax | 25.05 | - |
| Excise Duty (Interest thereon not ascertainable at present) | 196.24 | 196.24 |
| Others | | |

During 1993, the Company had imported plant and machinery under Export Promotion Capital Goods Scheme ('EPCG') at concessional rate of custom duty against export obligation under the said Scheme. As the Company could complete only partial Export obligation, it has received a notice of demand from Directorate General of Foreign Trade ('DGFT'). The Company has paid the entire differential duty amount for Rs.94,68,900 on 10.05.2011 and has made necessary submissions before the authorities. In view of this submission and pending decision of forum, interest liability is not ascertainable.

The company's pending litigation comprises mainly claims against the Company, proceedings pending with tax & other Authorities. The Company has reviewed all its pending litigations and proceedings and has made adequate provisions, wherever required and disclosed the contingent liabilities, wherever applicable, in its financial statements. The Company does not expect the outcome of these proceedings to have a material impact on its financial statements. Future cash outflow in respect of the above are determinable only on receipts of judgments/decisions pending with various forums/authorities.

(ii) Commitment

Operating Lease:

The Company has acquired certain Building/Office Premises under Lease arrangement. The future lease payment committed is as under:

| Particulars | As at 31st March, 2019 | As at 31st March, 2018 |
|-----------------|---------------------------|---------------------------|
| Within one year | 2.64 | 2.64 |

(iii) Capital Commitment: **Rs. NIL** (Previous Year **Rs. NIL**)

16) Other Additional Information

a) Raw Materials Consumption

| | Year Ended 31-03-2019 | | Year Ended 31-03-2018 | |
|------------------------------------|-----------------------|-------------------|-----------------------|-------------------|
| | Qty. (Mts) | Value Rs./Lacs | Qty. (Mts) | Value Rs./Lacs |
| RAW MATERIAL | | | | |
| Items - | - | - | - | - |
| Total Raw Material Consumed | - | - | - | - |

b) Value of Imports on CIF Basis

| Particulars | Year Ended 31-03-2019 | Year Ended 31-03-2018 |
|---------------|--------------------------|--------------------------|
| Raw Material | - | - |
| Capital Goods | - | - |
| Traded goods | 12069.94 | 189.58 |

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019

c) Consumption of Raw Materials

| | Year Ended 31-03-2019 | | Year Ended 31-03-2018 | |
|--|-----------------------|---|-----------------------|---|
| | (Rs./Lacs) | % | (Rs./Lacs) | % |
| Imported (including Import Duty content) | - | - | - | - |
| Indigenous | - | - | - | - |
| Total | - | - | - | - |

d) Expenditure in Foreign Currency incurred during the year

| Particulars | Year Ended 31-03-2019 | Year Ended 31-03-2018 |
|-----------------------------|--------------------------|--------------------------|
| Foreign Bank Charges | - | - |
| Foreign Travelling Expenses | 18.89 | 28.65 |

e) Earning in Foreign Currency during the year.

| | | |
|----------------------------|-----|-----|
| Direct Exports (FOB Value) | NIL | NIL |
|----------------------------|-----|-----|

As per our report of even date

For AMPAC & ASSOCIATES,
Chartered Accountants

Piyush B. Sheth

Partner

Membership No.: 44062

FRN : 112236W

Ahmedabad

May 30, 2019

For & on behalf of the Board
Gautam M. Jain
(DIN No: 00160167)

Chairman & Managing Director

Sandeep S. Bhandari
(DIN No: 01379445)

Director

Nitin S. Shah

Company Secretary

Ahmedabad

May 30, 2019

METROglobal Limited**(CIN :L21010MH1992PLC069527)**

101, 1st Floor, "MangalDisha",Nr. Guru Gangeshwar Temple, 6th Road ,Khar (West), Mumbai, Maharashtra-400052

ATTENDANCE SLIP

Regd. Folio No / DP Client ID : _____

No. of Shares : _____

I certify that I am a registered shareholder / proxy for the registered shareholder of the company.

I hereby record my / our presence at the Tweny Seventh Annual General Meeting of the Company held at Conference Hall of The Oriental Residency, Next to, Opp: Khar Telephone Exchange, Khar (West), Mumbai-400052, on Monday, **30th September, 2019** at 4.30 p.m._____
Member's / Proxy's name in BLOCK letters_____
Member's / Proxy's Signature**Note: Please fill in the attendance slip and hand it over at the entrance of the Meeting Hall.****METROglobal Limited****(CIN :L21010MH1992PLC069527)**

101, 1st Floor, "MangalDisha",Nr. Guru Gangeshwar Temple, 6th Road ,Khar (West), Mumbai, Maharashtra-400052

FORM OF PROXY**Annual General Meeting**

Regd. Folio No / DP Client ID : _____

No. of Shares : _____

I / We, _____ of _____ being a member / members of the above named Company hereby appoint _____ of _____ as my / our proxy to vote for me / us on my / our behalf at the Annual General Meeting of the Company to be held on Monday, **30th September, 2019** at Conference Hall of The Oriental Residency, Next to Khar Telephone Exchange, Khar (West), Mumbai-400052 , at 4.30 p.m. and at any adjourned meeting thereof.

Dated this _____ day of _____, 2019

| |
|------------------------------------|
| Affix Re. 1 Revenue Stamp |
|------------------------------------|

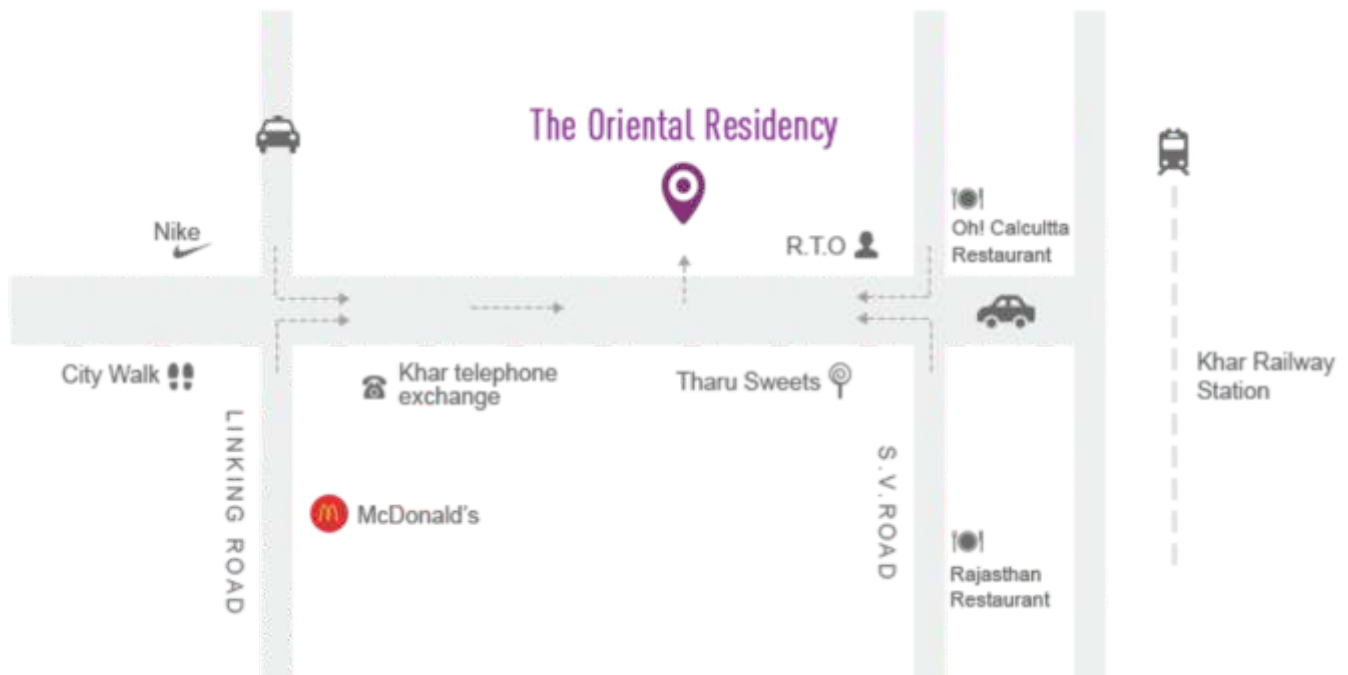
Signature(s) across the Stamp**Notes:**

1. A member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of himself.
2. A proxy need not be a member.
3. This form in order to be effective must be duly stamped, completed and signed and must be deposited at the Registered Office of the Company not later than Forty-Eight hours before the meeting.
4. In case of multiple proxies, proxy later in time shall be accepted.

Route Map for Annual General Meeting

Twenty Seventh Annual General Meeting
Monday, 30th September, 2019 at 4.30 p.m.

The Oriental Residency, Next to Khar Telephone Exchange,
P.D. Hinduja Marg, Khar (West), Mumbai-400052



METROglobal Limited
(CIN : L21010MH1992PLC069527)

101, 1st Floor, "MangalDisha", Nr. Guru Gangeswar Temple, 6th Road, Khar (West), Mumbai, Maharashtra-400052
MGT-11

PROXY FORM

(PURSUANT TO SECTION 105(6) OF THE COMPANIES ACT-2013 AND RULE 19(3) OF THE COMPANIES
(MANAGEMENT AND ADMINISTRATION) RULES, 2014)

| | |
|---|--|
| Name of the Member(s) Registered Address : Email Id: Folio No/DPID-Client ID : | |
|---|--|

I/We, being the Member(s) of Shares of the above named Company, here by appoint :

1. Name :- Address
:.....

Email ID:-.....Signature or failing him

2. Name :- Address
:.....

Email ID:-.....Signature

As my/our Proxy to attend and vote (on a Poll) for me as me/us and on my/our behalf at the 27th Annual General Meeting of the Company to be held on Monday, the 30th September 2019 at 4.30 p.m. at Conference Hall of The Oriental Residency, Next to Khar Telephone Exchange, P.D. Hinduja Marg, Khar (West), Mumbai-400052 and at any adjournment thereof in respect of such resolutions as are indicated below:

Ordinary Business

01. Adoption of Profit and Loss Account and Balance Sheet together with Directors' Report for the Financial Year ended on 31st March, 2019.
02. Appointment of Statutory Auditors of the Company and to fix their remuneration.

Special Business

03. To consider and approve reclassification of Promoter / Promoters Group and in this regard to consider and fit, to pass, with or without modification(s), the resolution as a **Special Resolution**.
04. Re-appointment of Mr. Nilesh R. Desai (DIN No. : 00414747) for a second term of 5 consecutive years commensive 1st October, 2019 to 30th September, 2024 as a Independent Director of the Company.
05. Re-appointment of Mr. Sandeep S. Bhandari (DIN No. : 01379445) for a second term of 5 consecutive years commensive 1st October, 2019 to 30th September, 2024 as a Independent Director of the Company.
06. Appointment of Mr. Prashant M. Kheskani (DIN No. : 02589654) for a Independent Director of the Company.
07. Approval of related party contracts / transactions

Signed thisday of2019

Signature of Share holder

Signature of Proxy Holder(s) (1).....(2).....

Note :- This form of Proxy in order to be effective should be duly completed and deposited at the Registered office of the Company, not less than 48 Hours before the Commencement of the Meeting.



METROglobal Limited

(CIN :-L21010MH1992PLC069527)

101, 1st Floor, "MangalDisha", Nr. Guru Gangeshwar Temple, 6th Road, Khar (West), Mumbai, Maharashtra-400052

MGT-12

Ballot Form

(To be used by Share Holders personally present/through Proxy at the Meeting and have not opted for E-Voting)

| | | |
|----|--|--|
| 1. | Name and Address of the Sole/ First Named Share holder | |
| 2. | Name(s) of the Joint Holder(s) (If any) | |
| 3. | Registered Folio No./DPID-Client ID | |
| 4. | Number of Share(s) held | |
| 5. | I/We hereby exercise my/our assent or dissent by way of Vote(s) at the time of my/our personal presence/ through proxy at the General Meeting in respect of the Ordinary and Special Resolutions set out in the Notice of 27 th Annual General Meeting of the Company to be held on (Monday, the 30 th September 2019 at 4.30 p.m. at Conference Hall of The Oriental Residency, Next to Khar Telephone Exchange, P.D. Hinduja Marg, Khar (West), Mumbai-400052, by placing the tick (✓)mark at the appropriate box below: | |

| Resolution No. | Resolutions | No. of Shares | For | Against |
|----------------|--|---------------|-----|---------|
| | Ordinary Business | | | |
| 01. | Adoption of Profit and Loss Account and Balance Sheet together with Directors' Report for the Financial Year ended on 31 st March, 2019. | | | |
| 02. | Appointment of Statutory Auditors of the Company and to fix their remuneration. | | | |
| | Special Business | | | |
| 03. | To consider and approve reclassification of Promoter / Promoters Group and in this regard to consider and fit, to pass, with or without modification(s), the resolution as a Special Resolution . | | | |
| 04. | Re-appointment of Mr. Nilesh R. Desai (DIN No. : 00414747) for a second term of 5 consecutive years commensive 1st October, 2019 to 30th September, 2024 as a Independent Director of the Company. | | | |
| 05. | Re-appointment of Mr. Sandeep S. Bhandari (DIN No. : 01379445) for a second term of 5 consecutive years commensive 1st October, 2019 to 30th September, 2024 as a Independent Director of the Company. | | | |
| 06. | Appointment of Mr. Prashant M. Kheskani (DIN No. : 02589654) for a Independent Director of the Company. | | | |
| 07. | Approval of related party contracts / transactions | | | |

Place :-

Date :-

(Signature of Shareholder/Proxy)

Note :- This Ballot is to be used for exercising voting at the time of 27th Annual General Meeting to be held on Monday the 30th September 2019 by Shareholder/proxy. Duly Filled in and signed ballot form should be dropped in the Ballot Box kept at the Venue of AGM.



Update of Physical Shareholders' Information

To,
Sharex Dynamic (India) Pvt.Ltd.
Unit : MetroGlobal Limited
(CIN No: 21010MH1992PLC069527)
C-101, 247 Park, LBS Marg,
Vikhroli West, Mumbai-400083

I/ We request you to record the following information against our Folio No.:

| | |
|---|--|
| Personal Information: | |
| Folio No. | |
| Name of the First Shareholder: | |
| PAN:* | |
| CIN/ Registration No.: (in case of Corporate Shareholder)* | |
| Tel. No. with STD Code: | |
| Mobile No.: | |
| Email id: | |

* Kindly attach self-attested copy of the documents.

| | |
|-----------------------------|--|
| Bank Details: | |
| IFSC(11 digit): | |
| MICR (9 digit): | |
| Bank A/c Type: | |
| Bank A/c No.: | |
| Name of the Bank: | |
| Bank Branch address: | |

* A blank cancelled cheque is enclosed for verification of details.

I/ We hereby declare that the particulars given above are correct and complete. If the transaction is delayed because of incomplete or incorrect information, I/ We would not hold the Company/ RTA responsible. I/ We undertake to inform any subsequent changes in the above particulars as and when the changes take place. I/ We understand that the above details shall be maintained by you till I/We hold the securities under the above mentioned Folio No.

Place:
Date :

Signature of Sole/ First Holder



METROglobal Limited



METROGlobal Limited

(CIN No: L21010MH1992PLC069527)

REGISTERED OFFICE

101, 1st Floor, "Mangal Disha", Near Guru Gangeshwar Temple, 6th Road,
Khar (West), Mumbai-400052 , Maharashtra (India)

CORPORATE OFFICE

508-509, "SHILP ", C.G.Road, Navrangpura, Ahmedabad-380009. INDIA
Phone : 91-79-2646 8016, 2646 9150, 2640 3930