

REGD. OFFICE :
206, ASHWARATH COMPLEX, 2ND FLOOR, OPP. FORTUNE HOTEL LANDMARK,
USMANPURA, AHMEDABAD - 380014. PH. : 079 - 2755 0140 (M) 94272 53790

CORP. OFFICE :
99, CHINUBHAI TOWER, OPP. HANDLOOM HOUSE, ASHRAM ROAD,
AHMEDABAD-380009. GUJARAT. (INDIA) E-mail : info@heerai spat.com



**OUR NEW REG. OFFC: Block No. 0-104, Ganesh Homes, Near Pramukh Bungalow, Behind Sahajannd Homes,
Chenpur Road, New Ranip, Ahmedabad, Gujarat, 382470**

OUR COMPANY CIN: L27101GJ1992PLC018101

Date: 06.09.2021

To,
Department of Corporate Services
Bombay Stock Exchange Ltd.
Phiroze Jeejeebhoy Tower,
Dalal Street,
Mumbai - 400 001

BSE Scrip Code: 526967

**Sub: Submission of Annual Report 2020-21 including Notice of the 29th Annual General Meeting
of the Company as per Regulation 34(1) of SEBI (Listing Obligations and Disclosure
Requirements) Regulations, 2015**

Pursuant to Regulation 34(1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed herewith Annual Report of the Company for the year ended on 31st March, 2021 (2020-21) including Notice of the 29th Annual General Meeting ("29th AGM"). This will also be available on the website of the Company.

You are requested to take the same on record and acknowledge the receipt of the same.

Thanking You.

Yours faithfully,
For Heera Ispat Limited

Dineshkumar S. Rao
Managing Director
DIN: 06379029

Encl.: As stated above

HEERA ISPAT LIMITED

29th AUDITED ANNUAL REPORT

FOR THE YEAR 2020-21

COMPANY REGISTRATION NO: 04-018101

CIN NO: L27101GJ1992PLC018101

Registered with Registrar of Companies, Gujarat State

HEERA ISPAT LIMITED

REG. OFFICE: BLOCK NO B-104 GANESH HOMES NEAR PRAMUKH BUNGLOWS BEHIND
SAHAJANANG HOMES CHENPUR ROAD NEW RANIP AHMEDABAD 382470 GUJARAT INDIA

E-Mail ID: heeraiapat1992@gmail.com

NOTE TO THE SHAREHOLDERS

As a measure of economy, copies of the Annual Report will not be distributed at the Annual General Meeting, Shareholders are requested to kindly bring their copies to the meeting.

NOTICE is hereby given to the Members of Heera Ispat Limited that 29th Annual General Meeting of the Members of the Company will be held on Wednesday the 29th September, 2021 at 11.30 A.M. at THE PRESIDENT - A BOUTIQUE HOTEL Opp- Municipal Market, Off C.G. Road, Navrangpura, Ahmedabad, Gujarat- 380009, to transact the following business.

ORDINARY BUSINESS:

1. To Receive, Consider, Approve and Adopt the Audited Financial Statement for the Financial Year 2020-21, i.e. the Audited Balance Sheet as at 31/03/2021, the Profit & Loss Account for the Year ended on that date, the audited cash flow statement for the year ended on that date, and the report of the Auditors and Directors thereon.
2. To Re-Appoint Director Mr. Prakash N. Shah (DIN 06376987) who retires by rotation and being eligible offers himself for re-appointment?
3. To ratify the Reappointment of M/s. Naresh J Patel & Co., Chartered Accountants, Ahmedabad FRN: 123227W as the Statutory Auditors of the Company for the next financial year 2021-22 and to hold the office as such up to the conclusion of the Next Annual General Meeting and to authorize the Board of Directors to fix their remuneration in their consultation.

DATE: 13th August, 2021

BY ORDER OF THE BOARD OF DIRECTOR OF

PLACE: Ahmedabad

HEERA ISPAT LIMITED

SD/-
(DINESHKUMAR S. RAO)

MANAGING DIRECTOR
DIN:06379029

The Register of Members and Share Transfer Books of the Company will remain closed from **TURSDAY the 23/09/2021 TO 29/09/2021 WEDNESDAY (both days inclusive).**

NOTES:

- 1) A Member of the Company entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote and that a proxy need not be a member of the company.
- 2) Proxies in order to be effective must be received at the Company's Registered Office not less than 48 hours before the meeting. Proxies submitted on behalf of limited companies, societies, Trusts, etc., must be backed by appropriate resolution / authority as applicable, issued on behalf of the nominating organization.
- 3) A person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than ten percent of the total share capital of the Company. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
- 4) In compliance with the provisions of Section 108 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014, and Regulation 44 of SEBI (LODR) 2015 (Including any Statutory Modification or re-enactment thereof for the time being in force), the Company is providing e-Voting facility as an alternative mode of voting which will enable the Members to cast their votes electronically. The instructions for e-voting are enclosed herewith.
- 5) Corporate Members intending to send their authorized representatives are requested to send a duly certified copy of the Board Resolution authorizing their representatives to attend and vote at the Annual General Meeting.
- 7) The Register of members and share transfer books of the Company shall remain closed from **TURSDAY, 23/09/2021 TO WEDNESDAY, 29/09/2021 (Both days inclusive)** as per the provisions of the Companies Act, 2013 and the Regulations of the SEBI (LODR) 2015.
- 8) Members desiring any information on accounts are requested to write to the company 7 days before the meeting to enable the management to keep the information ready.
- 9) Shareholders holding shares in physical form are requested to advise any change of address immediately to Company's Registrar and Share Transfer Agent, Skyline Financial Services Private Limited, shareholders holding shares in electronic form must advise to their respective depository participants about change in address and not to company.
- 10) All shareholders are requested to dematerialize their shareholding immediately as the shares are traded compulsorily in demat segment only and as per Ministry of Corporate Affairs directives and notifications w.e.f. 1st April, 2019 the Transfer of Shares by Public Limited

Companies and all listed companies are prohibited in physical form.

- 11) All shareholders holding shares in physical form are requested to provide their IT PAN CARD and AADHAAR CARD of the first and all joint shareholders including the personal E-mail ID of the first Shareholder and his Mobile Number to the RTA M/s. Skyline Financial Services Private Limited immediately.
- 12) All shareholders holding shares in Dematerialized form but who have not provided their personal e-mail ID and Mobile Number to their Depository Participants, should immediately furnish the same to their Depository Participants where they are having their Demat Accounts.
- 13) The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company as well as to RTA.
- 14) All documents referred to in the accompanying Notice shall be open for inspection at the Registered Office of the Company during normal business hours (10 am to 5.00 pm) on all working days except Saturdays and Sunday, up to and including the date of the Annual General Meeting of the Company.
- 15) The Notice of the Annual General Meeting and Annual Report of the Company for the year ended 31st March, 2021 is uploaded on the Company's website www.heeraiapat.com and may be accessed by the members.
- 16) Electronic copy of the Annual Report for 2020-21 is being sent to all the members whose email IDs are registered with the Company / Depository Participant(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Annual Report for 2020-21 are being sent in the permitted mode.
- 17) Electronic copy of the Notice of the Annual General Meeting of the Company inter alia indicating the process and manner of e-voting along with Attendance Slip and Proxy Form is being sent to all the members whose email IDs are registered with the Company / Depository Participant(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Notice of the Annual General Meeting of the Company inter alia indicating the process and manner of e-voting along with Attendance Slip and Proxy Form is being sent in the permitted mode.
- 18) Instructions for e-voting: In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014 read with Regulation 44 of the SEBI (LODR), 2015, the Company is pleased to provide members facility to exercise their right to vote at the 29th Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services provided by Central Depository Services (India) Limited (CDSL):

In case of members receiving e-mail:

- (i) Log on to the e-voting website www.evotingindia.com
- (ii) Click on “Shareholders” tab.
- (iii) Now, select the “COMPANY NAME” i.e. “HEERA ISPAT LIMITED” from the drop down menu and click on “SUBMIT”
- (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. (6 Digit Alpha-Numeric)
- (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* | <p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> ☐ Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the last 8 digits of the demat account/folio number in the PAN field. ☐ In case the folio number is less than 8 digits enter the applicable number of 0’s before the number after the first two characters of the name in CAPITAL letters. E.g. If your name is Ramesh Kumar with folio number 100 then enter RA00000100 in the PAN Field. |
| DOB | Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format. |
| Dividend Bank Details | <p>Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio.</p> <p>☐ Please enter the DOB or Dividend Bank Details in order to login. If the details are</p> |

not recorded with the depository or company please enter the number of shares held by you as on the cut-off date in the Dividend Bank details field.

- (viii) After entering these details appropriately, click on “SUBMIT” tab.
- (ix) Members holding shares in physical form will then reach directly 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 <Company Name> i.e. **HEERA ISPAT LIMITED**, 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 out print of the voting done by you by clicking on “Click here to print” option on the Voting page.
- (xvii) If Demat account holder has forgotten the changed password then enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
 - Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.co.in> and register themselves as Corporate.
 - They should submit a scanned copy of the Registration Form bearing the stamp and sign of the entity to helpdesk.evoting@cdslindia.com.

- After receiving the login details, they have to create a user who would be able to link the account(s) which they wish to vote on.
- The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- They should upload a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favor of the Custodian, if any, in PDF format in the system for the scrutinizer to verify the same.

In case of members receiving the physical copy:

Please follow all steps from sr. no. (i) to sr. no. (xvii) Above to cast vote.

General Instructions:

The voting period begins on 25th September, 2021 at 10.00 a.m. and ends on 28th September, 2021 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 of (record date) of 22th September 2021, may cast their vote Electronically. The e-voting module shall be disabled by CDSL for voting thereafter. The EVSN number for E-voting generated on the website www.evotingindia.com.

- a. 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.co.in under help section or write an email to helpdesk.evoting@cdslindia.com.
 - b. Mr. Kamlesh M. Shah, Practicing Company Secretary, (Membership No. A8356 and COP No. 2072) (Address: 801-A, Mahalay Complex, Opp: Hotel President, B/h. Fairdeal House, Swastik Cross Roads, Navrangpura, Ahmedabad: 380 009, Gujarat, India, has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
 - c. The Scrutinizer shall within a period not exceeding three (3) working days from the conclusion of the e-voting period unblock the votes in the presence of at least two (2) witnesses not in the employment of the Company and make a Scrutinizer’s Report of the votes cast in favor or against, if any, forthwith to the Chairman of the Company.
- (xviii) The Results declared along with the Scrutinizer’s Report shall be placed on the Company’s website www.heeraispat.com and on the website of CDSL within two (2) working days of passing of the resolutions at the AGM of the Company and communicated to the ASE and BSE Limited.

INFORMATION ABOUT THE DIRECTORS WHO ARE PROPOSED TO BE APPOINTED/ RE-APPOINTED AT THE 29th ANNUAL GENERAL MEETING [Pursuant to regulation 36 (3) of the SEBI (LODR) Regulations, 2015] FORMING PART OF THE NOTICE CONVENING THE ANNUAL GENERAL MEETING OF THE COMPANY.

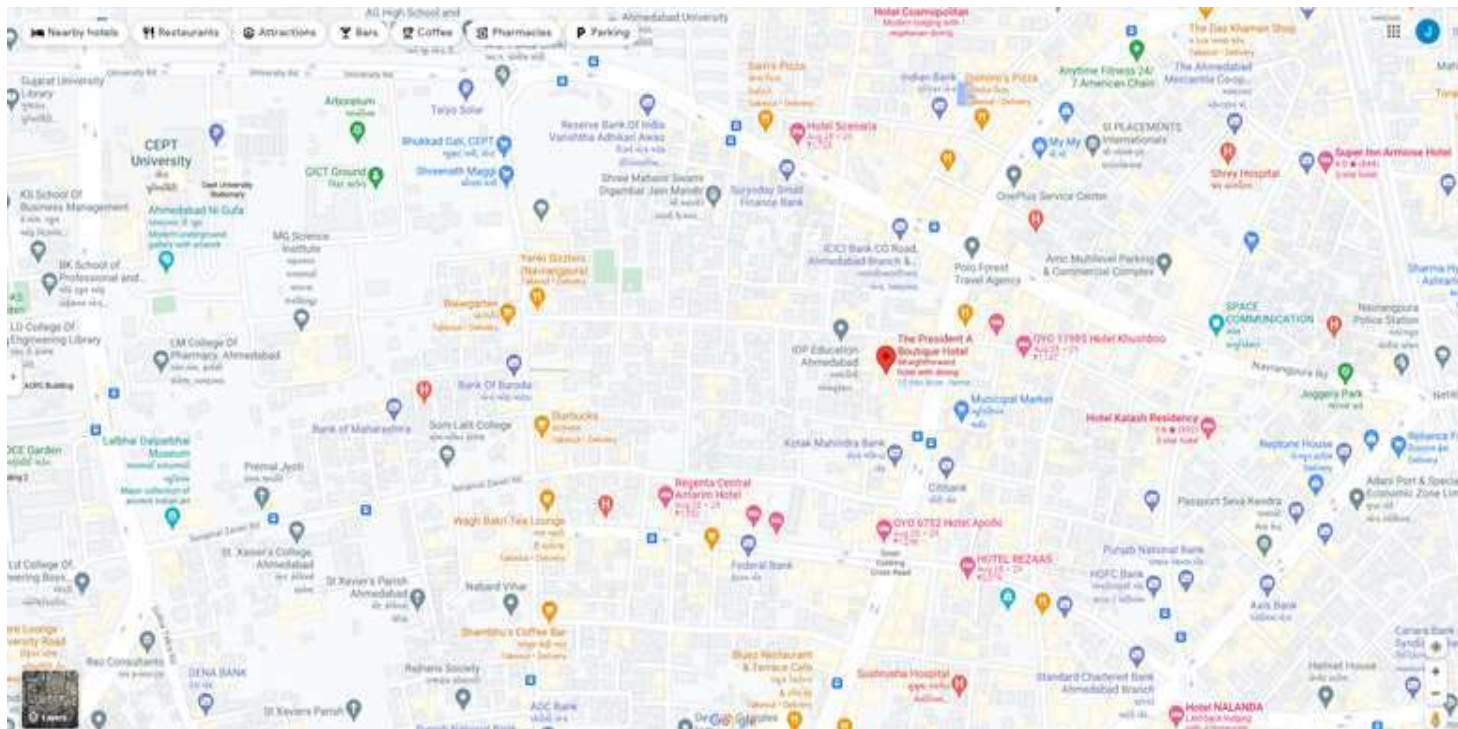
| | |
|---|---------------------|
| Particulars | Mr. PRAKASH N. SHAH |
| Director Identification Number. | 06376987 |
| Date of Birth | 16/11/1975 |
| Age. | 45 Years |
| Educational Qualification. | B Com |
| Experience (No. of Years) | 22 Years |
| Business field in which Experience. | Steel Business |
| Date of Appointment as Director in the Company. | 30/06/2020 |
| Directorship held in any other Company. | NIL |
| Member of any Committees of the Directors in the Company. | N.A. |
| Member of any committees of the Directors in other Companies with names of the Company. | N.A. |
| Member of any Trade Association/ Charitable Organization/ NGOs etc. | N.A. |

DATE: 13th AUGUST, 2021
PLACE: Ahmedabad

BY ORDER OF THE BOARD OF DIRECTOR OF
HEERA ISPAT LIMITED

SD/-
(DINESHKUMAR S. RAO)
MANAGING DIRECTOR
DIN: 06379029

MAP ROUTE TO THE AGM VENUE:



DIRECTORS' REPORT

To,
The Members,
HEERA ISPAT LIMITED

Dear Shareholders,
Your directors have pleasure in presenting herewith the 29th Audited Annual Report for the year ended on 31st March, 2021 of your Company.

Financial Results:

The Financial performance of the company during the year is as under:

| PARTICULARS | FOR THE YEAR ENDED ON 31/03/2021 | FOR THE YEAR ENDED ON 31/03/2020 |
|----------------------------------|-------------------------------------|-------------------------------------|
| Income from Sales (Net) | - | - |
| Other Income | - | 13,03,060 |
| Total Income | - | 13,03,060 |
| Total Expenses | 12,29,807 | 8,09,966 |
| Profit Before Tax | 2,83,28,546 | (72,21,392) |
| Depreciation | - | - |
| Tax Expenses | - | - |
| Deferred Tax | 30,19,574 | (15,38,766) |
| Profit / (Loss) After Tax. | (3,13,48,120) | (51,89,532) |
| Net Profit / (Loss) for the Year | (3,13,48,120) | (51,89,532) |

OPERATIONAL OVERVIEW:

During the year the company has earned total income of Rs. NIL /- compared to Previous year of 1303060/- and total expenses of Rs. 1229807/- compared to Previous year of Rs. 809966/-. After deduction of depreciation of Rs. NIL (Previous Year Nil), the company has earned a net profit after tax of Rs. (3,13,48,120)/- (Previous year: 51,89,532/-). Due to challenging environment, the company incurred above mentioned losses. However, the management is optimistic about future growth.

DIVIDEND:

In the view of carried forward losses, Board does not recommend any dividend for the year under review.

PERFORMANCE:

The company has made net loss of Rs. (3,13,48,120)/- at the end of the Financial Year. The company has making net profit during the last two years.

DETAILS OF THE ASSOCIATES/ JOINT VENTURE / SUBSIDIARIES COMAPANIES:

The company does not have holding or subsidiary companies during the year and no other company has become holding / subsidiary/ joint venture.

SHARE CAPITAL STRUCTURE:

During the year under review there were no changes in the Authorized, Issued, Subscribed and Paid up Share Capital Structure of the Company.

FIXED DEPOSIT:

The Company has not accepted any public deposit during the year under review and no amount against the same was outstanding at the end of the year.

REGULATORY STATEMENT:

In conformity with Regulations of SEBI (Listing Obligation and Disclosure Requirement)2015, the Cash Flow Statement for the year ended 31.03.2021 is annexed hereto. The equity shares of the Company are listed on the BSE Ltd. The Company has paid listing fees for the year 2021-22 to Bombay Stock Exchange.

CORPORATE GOVERNANCE:

The Company's Total paid up equity share capital is less than Rs. 10 crores and its total Net worth is less than Rs. 25 crores, Hence, the Company is being treated as Small Company and as such as per SEBI (LODR) 2015 Regulation Number: 15(2) your company is exempt from making compliance with Regulations No. 17 to 27, Clause- B to I of Sub Regulation 2 of Regulation 45 and Para C, D and E of Schedule V. Accordingly, except the statement on " Management Discussion and Analyses Report," your Directors have though formed the sub Committees of the Board as per requirements of Corporate Governance and they are operational, however, no detailed Report on Compliance with Conditions of Corporate Governance report are given here with. The Company is exempted from providing report on Corporate Governance in accordance with regulation 34(3) and schedule V(C) to the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015.

INTERNAL AUDITOR:

The Company has not appointed an independent firm of Chartered Accountants to act as an Internal Auditor as per suggestion of auditors and recommendation of the Audit Committee in order to strengthen the internal control system for the Company.

CORPORATE SOCIAL RESPONSIBILITY:

The provisions of Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014 are not applicable to your Company.

DEMATERIALISATION OF SECURITIES:

Your Company's Equity shares are admitted in the System of Dematerialization by both the Depositories namely NSDL and CDSL. The Company has signed tripartite Agreement through Registrar and Share Transfer Agent M/s Skyline Financial Services Pvt. Ltd. The Investors are advised to take advantage of timely dematerialization of their securities. The ISIN allotted to your Company is INE025D01013. Total Share dematerialized up to 31st March 2021 were 5348600 which constitute 90.91% of total capital. Your directors request all the shareholders to dematerialize their shareholding in the company as early as possible.

DETAILS OF RELATED PARTIES TRANSACTIONS PURUSANT TO SECTION 188(1) OF THE COMPANIES ACT, 2013:

The Company has not entered into related parties' transactions for sale/purchase of goods or services at preferential prices. However, all the transactions in the nature of sales/purchase of goods or services are made on arm's length basis. The same were reported to the Board at every meeting and Board took a note of the same and approved. Other details for inter corporate financial transactions or remuneration and other benefits paid to directors, their relatives, key managerial personnel etc. are given in the notes to the accounts vide note no 31 as per requirements of AS 18. Company has formulated various other policies such as Evaluation of Board Performance Policy etc. All such policies were documented and adopted by the Board in its meeting held on 10th February, 2017.

As the Company is loss making one, the provisions related to CSR is presently not applicable to the Company.

Regarding Performance Review of each of the member of the Board and also the performance of the various Committees and the Board, the Company has adopted the Model Code of Conduct for Independent Directors, Key Managerial Personnel as prescribed in Schedule IV to the Companies Act, 2013 and also as prescribed in the SEBI (Insider Trading) Regulations. The Company strictly follows the procedure to obtain necessary timely declarations from each of the directors and key managerial personnel.

Management's Discussion and Analysis:

Management's discussion and perceptions on existing business, future outlook of the industry, future expansion and diversification plans of the Company and future course of action for the development of the Company are fully explained in a separately.

DEPOSITS:

The company has not invited or accepted any Deposit, Loans or finance from the public in violation of section 73(1) of Companies Act 2013 or any rules made there under.

DIRECTORS:

Mr. Dinesh Kumar S Rao shall retire by rotation at the ensuing Annual General Meeting as per provisions of Law. He is eligible for Reappointment and offers himself for reappointment.

DETAILS OF LOANS, GUARANTEES AND INVESTMENTS U/S 186 OF THE COMPANIES ACT, 2013:

During the year under review the Company has not made any inter corporate loans, investments, given any corporate guarantee to any other body corporate, subsidiary, associate or any other company.

DETAILS OF THE BOARD AND GENERAL MEETINGS HELD AND ATTENDANCE OF DIRECTORS AT THE MEETINGS:

During the year, the company held total 6 Board meetings on 30/06/2020, 14/09/2020, 27/09/2020, 13/11/2020 & 13/02/2021. All the Directors were present at all the board meetings to consider various businesses and pass necessary resolutions.

The Company has disclosed all the material information to the stock exchanges and the Registrar of Companies Office in time as per requirements of law and SEBI (LODR) 2015.

Directors present at the Meeting of board:

| Sr. No. | Name of Directors | 30/06/2020 | 14/09/2020 | 27/09/2020 | 13/11/2020 | 13/02/2021 |
|---------|----------------------------|------------|------------|------------|------------|------------|
| 1 | DINESHKUMAR SAMARATAJI RAO | YES | YES | YES | YES | YES |
| 2 | PRAKASH NEMCHAND SHAH | YES | YES | YES | YES | YES |
| 3 | RADHESHYAM RAMPAL PATEL | YES | YES | YES | YES | YES |
| 4 | ALPESH KIRITBHAI PATEL | YES | YES | YES | YES | YES |

COMPOSITION OF VARIOUS COMMITTEES WITHIN THE ORGANISATION:

AUDIT COMMITTEE:

The audit committee of the Board of Directors is as under:

| Sr. no. | Name | Type | No. of Meeting Attended |
|---------|-------------------------|----------|-------------------------|
| 1. | ALPESH KIRITBHAI PATEL | Chairman | 6 |
| 2. | RADHESHYAM RAMPAL PATEL | Member | 6 |
| 3. | PRAKASH N SHAH | Member | 6 |

(A) FUNCTION OF AUDIT COMMITTEE:

The audit Committee is headed by Alpesh K. Patel as Chairman. He has more than 30 years of Construction experience. He is further assisted by two non-executive Independent directors namely Radheshyam R Patel. Prakash N. Shah has business experience over 30 years. He has through knowledge of working, usage and accounting for financial products, which company uses to hedge its underlying exposure.

The Committee meets at least once every quarter and prepares its minutes on the proceedings and business discussed and transacted. All committee reports and minutes are placed before the Board in all its meetings for information, guidance, directions and record keeping. In addition, the Committee also reviews the reports of the Internal Auditors and obtains guidance from the internal auditors, statutory auditors and other professionals of corporate repute from time to time to make timely compliances and payment of statutory dues.

(B) ROLE AND RESPONSIBILITY OF AUDIT COMMITTEE:

The Committee acts as a bridge between the Statutory and the Internal Auditors and the Board of Directors of the Company. It is authorized to select and establish accounting policies, review reports of the Statutory and the Internal Auditors and meet with them to discuss and deliberate their suggestions, findings and other related matters. Further, the committee is authorized to, inter alia, monitor, review and evaluate the Auditor's independence, performance and effectiveness of the audit process, oversight of the Company's financial reporting process and the disclosure of its financial information, and review the quarterly, half yearly and annual financial statements before submission to the Board for approval. Further the committee is liable to examine the financial statements and the Auditors' Report thereon, approve transactions of the Company with its related

parties including consequent modifications thereof, grant omnibus approvals subject to fulfillment of certain conditions, analyze inter-corporate loans and investments, valuation of undertakings or assets of the Company wherever it is necessary. Further, it is also empowered to review the Management Discussion and Analysis of financial condition and results of operations and statement of significant related party transactions. It also looks into any other matter as referred to it by the Board of Directors from time to time.

Generally, all the items stated in Section 177(4) of the Companies Act, 2013 and Point A of Part C of the Schedule II of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 are covered under the roles of the Audit Committee. The Audit Committee has been granted powers as prescribed under provisions of the Regulation 18(2)(c) of the aforesaid Regulations and reviews all the information as prescribed in Point B of the Part C of the Schedule II of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

SHAREHOLDERS' / INVESTORS' GRIEVANCE COMMITTEE:

(A) TERMS OF REFERENCE:

Shareholders' / Investor Grievance committee looks into investor complaints if any, and redresses the same expeditiously. Beside the committee approves allotment, transfer & transmission of shares, debentures, any new certificates on split \ consolidation \ renewal etc. as may be referred to it by the Board of Directors. In addition the committee also looks in to compliance with stock exchange listing agreement and circulation of shareholder and general public interest information through proper media and stock exchanges from time to time.

(B) FORMATION:

The Shareholders' / Investors Grievance Committee presently comprise all Non Executive Directors. During the year the Committee held 12 meeting (Last Saturday of every month) The Attendance of Members at the Meeting was as follows:

| Sr. no. | Name | Type | No. of Meeting Attended |
|---------|-------------------------|----------|-------------------------|
| 1. | ALPESH KIRITBHAI PATEL | Chairman | 12 |
| 2. | RADHESHYAM RAMPAL PATEL | Member | 12 |
| 3. | PRAKASH N SHAH | Member | 12 |

(C) FUNCTIONS OF INVESTORS SERVICES COMMITTEE:

The company has merged in this committee its earlier committee of share Transfer. This Committee looks in to all aspects related to Shares, Bonds Securities and retail investors. The committee also looks after the dematerialization process of equity shares. The Committee is also empowered to keep complete records of shareholders, statutory registers relating to shares and securities, maintaining of the complete record of share dematerialized, and complaints received from investors and other various agencies.

The committee meets every month to approve all the cases of shares demat, transfer, issue of duplicate and resolution of the investors' complaints, submission of information to various statutory authorities like NSDL / CDSL, SEBI, stock Exchanges, Registrar of companies periodically. Other roles duties powers etc. have been clearly defined in line with the Regulation 20 of listing obligation and disclosure requirement rules of SEBI and kept flexible by the Board from time to time.

NOMINATION AND REMUNERATION COMMITTEE:

The Nomination and Remuneration committee comprises all 3 independent Directors which are as under:

| Sr. no. | Name | Type | No. of Meeting Attended |
|---------|-------------------------|----------|-------------------------|
| 1. | ALPESH KIRITBHAI PATEL | Chairman | 3 |
| 2. | RADHESHYAM RAMPAL PATEL | Member | 3 |
| 3. | PRAKASH N SHAH | Member | 3 |

(A)TERMS OF REFERENCE:

The remuneration committee comprises of all non-executive independent directors.

- (i) To ascertain the requirements of and appointment of Key Managerial personals.
- (ii) To prescribe rules, regulations, policy, requirements of qualifications and experience of key managerial personnel.
- (iii) To decide the terms of conditions of employment and responsibilities, authorities of all executive directors, Managing Director and to ensure that they discharge their duties diligently and report to Board regularly.
- (iv) To fix the remuneration payable to Managing Director, Executive Director, Whole Time Directors.
- (v) To decide on distribution of profits as commission amongst various executive and non-executive directors.
- (vi) To design, frame and make policy for remuneration payable for key managerial personnel and up to 3rd rank departmental heads by way of issue of shares as ESOP or stock options or otherwise including to provide staff loans/ advances to subscribe to any ESOPs or Stock options by employees of the company.

Further except the cash reimbursement of actual expenses incurred by directors, no other benefits in the form of stock options or ESOP etc. are being offered to any directors of the Company or to any key managerial personnel for the year. As the company has long overdue accumulated losses in its books of accounts; it is not paying any sitting fees or commission of net profit or any other remuneration in kind to any of its directors. The Company does not have any key managerial personnel receiving remuneration of more than Rs. 200,000/- Per Month. The company is regular in labor compliances and payment of statutory labor dues with relevant authorities in time.

Other function roles duties powers etc. have been clearly defined in line with the Regulation 19 of listing obligation and disclosure requirement rules of SEBI and kept flexible for medication by the Board from time to time.

NUMBER OF BOARD AND COMMITTEE MEETING HELD DURING THE YEAR:

| Name of the Committee | No. of Meeting held |
|---|---------------------|
| Board Of Directors | 6 |
| Audit Committee of Board | 6 |
| Nomination Remuneration Committee | 3 |
| Shareholders' /Investor Grievance Committee | 12 |

DECLARATION BY INDEPENDENT DIRECTORS:

(Pursuant to Provisions of section 149(6) OF the Companies Act 2013)

All the Independent Directors of the Company do hereby declare that:

- (1) All the Independent Directors of the Company are neither Managing Director, nor a Whole Time Director nor a manager or a Nominee Director.
- (2) All the Independent Directors in the opinion of the Board are persons of integrity and possesses relevant expertise and experience.
- (3) Who are or were not a Promoter of the Company or its Holding or subsidiary or associate company?
- (4) Who are or were not related to promoters or directors in the company, its holding, subsidiary or associate company?
- (5) Who has or had no pecuniary relationship with the company, its holding, subsidiary or associate company or their promoters or directors, during the two immediately preceding financial years or during the current financial year.
- (6) None of whose relatives has or had pecuniary relationship or transaction with the company, its holding, subsidiary, or associate company, or their promoters, or directors, amounting to two per cent or more of its gross turnover or total income or fifty lacs rupees or such higher amount as may be prescribed, whichever is lower, during the two immediately preceding financial years or during the current financial year,
- (7) Who neither himself, nor any of his relatives,
 - (a) Holds or has held the position of a key managerial personnel or is or has been employee of the company or its holding, subsidiary or associate company in any of three financial years immediately preceding the financial year in which he is proposed to be appointed.
 - (b) Is or has been an employee or proprietor or a partner, in any of the three financial years immediately preceding the financial years in which he is proposed to be appointed of
 - (i) A firm of auditors or company secretaries in practice or cost auditors of the company or its holding, subsidiary or associate company; OR
 - (ii) Any legal or a consulting firm that has or had any transaction with the company, its holding, subsidiary or associate company amounting to ten per cent, or more of the gross turnover of such firm;
 - (iii) Holds together with his relatives two per cent, or more of the total voting power of the company; OR
 - (iv) Is a Chief Executive or director, by whatever name called, or any non-profit organization that receives twenty five per cent or more of its receipts from the Company, any of its promoters, directors or its holding, subsidiary or associate company or that holds two per cent or more of the total voting power of the company; OR
 - (v) Who possesses such other qualifications as may be prescribed.

DIRECTORS' RESPONSIBILITY STATEMENT:

In terms of section 134 Clause (C) of Sub-Section (3) of the Companies Act, 2013, in relation to financial statements for the year 2020-21, the Board of Directors state:

- a) In the preparation of the annual accounts for the financial year ended 31st March 2021, as far as possible and to the extent, if any, accounting standards mentioned by the auditors in their report as not complied with, all other applicable accounting standards have been followed along with proper explanation relating to material departure;
- 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 a true and fair view of the state of affairs of the Company at the end of the financial year and profit and loss account of the Company for that period;
- c) The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) The Directors have prepared the annual accounts on a going concern basis; and
- 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 have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

DECLARATION BY BOARD AS PER REQUIREMENT OF SECTION 178 (1) :

In compliance with Section 178 (1) as also in compliance with applicable Regulations of SEBI (LODR), 2015 the Board of Directors does hereby declare that:

- a. The Company has proper constitution of the Board of Directors including independent directors in proportion as per requirement of SEBI (LODR), 2015.
- b. The Company has constituted Nomination and Remuneration Committee, Stakeholders Relationship Committee, Audit Committee as per requirements of the SEBI (LODR), 2015 and provisions of the Companies Act 2013.
- c. The Company has the policy for selection and appointment of independent directors who are persons of reputation in the society, have adequate educational qualification, sufficient business experience and have integrity & loyalty towards their duties.
- d. The Company pays managerial remuneration to its Managing/Whole Time Directors based upon their qualification, experience and past remuneration received by them from their previous employers and company's financial position.
- e. The Independent Directors are not paid sitting fee.
- f. The Company is not paying any commission on net profits to any directors.
- g. During the year the Board has met 6 times during the year. The details of presence of every director at each meeting of the Board including the meetings of the Committees, if any, are given in the reports of the Corporate Governance.

**SYSTEM OF PERFORMANCE EVALUATION OF THE BOARD, INDEPENDENT DIRECTORS AND COMMITTEES
AND INDIVIDUAL DIRECTORS**

1. The Board makes evaluation of the effectiveness and efficiency of every individual director, committee of directors, independent directors and board as a whole.
2. For these purposes the Board makes evaluation twice in a year on a half yearly basis.
3. The performance of individual directors is evaluated by the entire Board, excluding the Director being evaluated on the basis of presence of every director at a meeting, effective participation in discussion of each business agenda, feedback receives from every director on draft of the minutes and follow up for action taken reports from first line management.
4. Effectiveness and performance of various committees are evaluated on the basis of the scope of work assign to each of the committees, the action taken by the committees are reviews and evaluated on the basis of minutes and agenda papers for each of the committee meetings.
5. The performance of independent directors is evaluated on the basis of their participation at the meetings and post meeting follow up and communication from each of such independent directors.

PARTICULARS OF THE EMPLOYEES:

Particulars of the employees as required under provisions of Section 197 (12) of the Act read with Rule 5 of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 as amended from time to time, are not attached with this report since there was no employee who was in receipt of remuneration in excess of Rs. 8,50,000 per month during the year or Rs. 1.2 Cr. per annum in the aggregate if employed part of the year.

AUDITORS:

STATUTORY AUDITORS:

Ratification of Re- appointment of Statutory Auditors M/s. Naresh J Patel & Co., a peer reviewed firm of Chartered Accountants, for the Company for the year 2021-22 and to hold the office as such from the date of conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting and to fix their remuneration with the Board of Director in their Meeting.

SECRETARIAL AUDITOR:

The Company has appointed M/s. KAMLESH SHAH & SHAH CO. as the secretarial auditor for the financial year 2020-21. They have given their report in the prescribed form MR-3 which is annexed to this report as an ANNEXURE A.

STATUTORY INFORMATION:

The Information required to be disclosed in the report of the Board of Directors as per the provisions of Section 134 of the Companies Act-2013 and the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules 1988 regarding the conservation of energy; technology absorption, foreign exchange earnings and outgo are not applicable to the company. As Company is not manufacturing any product or providing any services.

MATERIAL CHANGES / INFORMATION:

1. No material changes have taken place after the closure of the financial year up to the date of this report which may have substantial effect on the business and financial of the Company.
2. No significant and material orders have been passed by any of the regulators or courts or tribunals impacting the going concern status and companies' operations in future.

APPRECIATION

Your directors place on record their sincere appreciation for the valuable support and co-operation as received from government authorities, Financial Institutions and Banks during the year. The Directors are also thankful for the support extended by Customers, Suppliers and contribution made by the employees at all level. The Directors would also like to acknowledge continued patronage extended by Company's shareholders in its entire endeavor.

Date: 13ST August,2021.

Pace: Ahmedabad

For and On Behalf of Board of Directors

Heera Ispat Limited

**SD/-
DINESHKUMAR S RAO
MANAGING DIRECTOR
DIN: 06379029**

ANNEXURE TO THE DIRECTORS REPORT

FORM NO. MGT-9 EXTRACT OF ANNUAL RETURN AS ON THE FINANCIAL YEAR ENDING ON 31/03/2021

[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:

- 1) CIN :- L27101GJ1992PLC018101
- 2) Registration date: 05/08/1992
- 3) Name of the company : HEERA ISPAT LIMITED
- 4) Category/ sub-category of the company: Company limited by shares/ ~~Indian Non-Government Company~~
- 5) Address of the registered office and contact details: 206, Ashwarath Complex, 2nd Floor, Opp. Fortune Landmark Hotel, Usmanpura, Ahmedabad-380013, Gujarat
- 6) Whether listed company: YES
- 7) Name, address and contact details of registrar and transfer agent (if any) :- Skyline Financial Services Pvt. Ltd

D-153/A, First Floor, Okhla
Industrial Area, Phase-1,
New Delhi 110 020.
Tel.: +91 11 26812682-83,
011-64732681 to 88
Fax : +91 11 26812682
Web: www.skylinerta.com

1. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

| SR. No. | Name and descriptions main products/ service | NIC Code of the product/ Service | % to Total turnover o the company |
|---------|--|-------------------------------------|--------------------------------------|
| 1 | STEEL MANUFACTURING | - | 0% |

2. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES –

| SR. NO. | NAME AND ADDRESS OF THE COMPANY | CIN/GLN | CONCERN | % of shares held by COMPANY | APPLICABLE SECTION |
|---------|---------------------------------|---------|---------|-----------------------------|--------------------|
| NIL | NIL | NIL | NIL | NIL | NIL |

| | | | | total share s | | | | |
|---|-------------------|------------------|--------------|---------------------|------------------|--------------|----------|----------|
| 1 | Dharmendra Mistry | 10,60,900 | 18.03 | 0 | 1060900 | 18.03 | 0 | 0 |
| | Total | 10,60,900 | 18.03 | 0 | 10,60,900 | 18.03 | 0 | 0 |

(iii) Change in Promoter's Shareholding (Please Specify, If There Is No Change)

There is No change in the shareholding of the promoters during the financial year 2019-20

(iv) Shareholding pattern of top ten shareholders (other than directors, promoters and holders of GDRs and ADRs)

| | | Shareholding at the beginning of the year | | Cumulative Shareholding during the year | |
|----|-----------------------|---|----------------------------------|---|----------------------------------|
| | | No. of shares | % of total shares of the company | No. of shares | % of total shares of the company |
| 1 | Keena M Kothari | 384815 | 6.54 | 384815 | 6.54 |
| 2 | Dimple Shah | 211000 | 3.59 | 211000 | 3.59 |
| 3 | Hetal D Shah | 210000 | 3.57 | 210000 | 3.57 |
| 4 | Rajeshkumar Patel | 200000 | 3.40 | 200000 | 3.40 |
| 5 | Chintan H Chowdary | 175000 | 2.97 | 175000 | 2.97 |
| 6 | KinjalChintanChowdary | 175000 | 2.97 | 175000 | 2.97 |
| 7 | Harilal V Chowdary | 175000 | 2.97 | 175000 | 2.97 |
| 8 | Kamala H Chowdary | 175000 | 2.97 | 175000 | 2.97 |
| 9 | Pankaj Dahyalal Shah | 160000 | 2.72 | 160000 | 2.72 |
| 10 | DaxeshDahyalal Shah | 158000 | 2.69 | 158000 | 2.69 |
| | TOTAL | 2023815 | 34.39 | 2023815 | 34.39 |

(v) Shareholding of directors and key managerial personnel:

| 1 | Mr. Dharmeshkumar Mistry | Shareholding at the beginning of the year | | Cumulative Shareholding during the year | |
|---|--------------------------|---|----------------------------------|---|----------------------------------|
| | | No. of shares | % of total shares of the company | No. of shares | % of total shares of the company |
| | | | | | |

| | | | | |
|---|-------------------|-------------|-------------|-------------|
| At the beginning of the year | 1060900 | 18.03 | 1060900 | 18.03 |
| Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc): | Promote Transfer | (No Change) | (No Change) | (No Change) |
| | Inter Se Transfer | (No Change) | (No Change) | (No Change) |
| | By Gift | (No Change) | (No Change) | (No Change) |
| | | | | |
| At the end of the year | 1060900 | 18.03 | 1060900 | 18.03 |

(vi) INDEBTEDNESS

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

| | Secured Loans excluding deposits | Unsecured Loans | Deposits | Total Indebtedness |
|---|----------------------------------|------------------|----------|--------------------|
| Indebtedness at the beginning of the financial year | | | | |
| i) Principal Amount | NIL | NIL | NIL | NIL |
| ii) Interest due but not paid | NIL | NIL | NIL | NIL |
| iii) Interest accrued but not due | NIL | NIL | NIL | NIL |
| Total (i+ii+iii) | NIL | NIL | NIL | NIL |
| Change in Indebtedness during the financial year | | | | |
| * Addition | NIL | 11,13,787 | NIL | 11,13,787 |
| * Reduction | NIL | NIL | NIL | NIL |
| Net Change | NIL | 11,13,787 | NIL | 11,13,787 |
| Indebtedness at the end of the financial year | | | | |
| i) Principal Amount | NIL | 11,13,787 | NIL | 11,13,787 |
| ii) Interest due but not paid | NIL | NIL | NIL | NIL |
| iii) Interest accrued but not due | NIL | NIL | NIL | NIL |
| Total (i+ii+iii) | NIL | 11,13,787 | NIL | 11,13,787 |

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

| SN. | Particulars of Remuneration | Name of MD/WTD/ Manager | Total Amount |
|-----|---|-----------------------------------|--------------|
| | | Mr. DINESHKUMAR SAMARATAJI RAO | NIL |
| 1 | Gross salary | NIL | NIL |
| | (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 | NIL | NIL |
| | (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 | NIL | NIL |
| | (c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961 | NIL | NIL |
| 2 | Stock Option | NIL | NIL |
| 3 | Sweat Equity | NIL | NIL |
| 4 | Commission - as % of profit - others, specify... | NIL | NIL |
| 5 | | NIL | NIL |
| | Total (A) | NIL | NIL |

B. Remuneration to other directors:

| SN. | Particulars of Remuneration | Name of Directors | | | | | |
|-----|--|-------------------|-----------------------------|------------------|-----|-----|-----|
| 1 | Independent Directors | Mr. Alpesh Patel | Mr. Radheshyam Rampal Patel | Mr. Prakash Shah | | | |
| | Fee for attending board committee meetings | NIL | NIL | NIL | NIL | NIL | NIL |
| | Commission | NIL | NIL | NIL | NIL | NIL | NIL |
| | Others, please specify (Remuneration) | NIL | NIL | NIL | NIL | NIL | NIL |
| | Total (1) | NIL | NIL | NIL | NIL | NIL | NIL |
| 2 | Other Non-Executive Directors | | | | | | |
| | Fee for attending board committee meetings | NIL | NIL | NIL | NIL | NIL | NIL |
| | Commission | NIL | NIL | NIL | NIL | NIL | NIL |
| | Others, please specify | NIL | NIL | NIL | NIL | NIL | NIL |
| | Total (2) | NIL | NIL | NIL | NIL | NIL | NIL |
| | Total (B)=(1+2) | NIL | NIL | NIL | NIL | NIL | NIL |
| | Total Managerial Remuneration | NIL | NIL | NIL | NIL | NIL | NIL |

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

| SN | Particulars of Remuneration | Key Managerial Personnel | | |
|----|---|-------------------------------|--------------|-------|
| | | CS | CFO | Total |
| | | ATULABEN JAGDISHBHAI PATEL | SUHAG V SHAH | |
| 1 | Gross salary | 1,80,000 | 1,20,000 | N.A. |
| | (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 | N.A. | N.A. | N.A. |
| | (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 | N.A. | N.A. | N.A. |
| | (c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961 | N.A. | N.A. | N.A. |
| 2 | Stock Option | N.A. | N.A. | N.A. |
| 3 | Sweat Equity | N.A. | N.A. | N.A. |
| 4 | Commission | N.A. | N.A. | N.A. |
| | - as % of profit | N.A. | N.A. | N.A. |
| | others, specify... | N.A. | N.A. | N.A. |
| 5 | Others, please specify | N.A. | N.A. | N.A. |
| | Total | 1,80,000 | 1,20,000 | N.A. |

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

| | | | | | |
|-------------|----|----|----|----|----|
| Penalty | No | No | No | No | No |
| punishment | No | No | No | No | No |
| compounding | No | No | No | No | No |

B. DIRECTORS

| | | | | | |
|-------------|----|----|----|----|----|
| Penalty | No | No | No | No | No |
| punishment | No | No | No | No | No |
| compounding | No | No | No | No | No |

C. OTHER OFFICERS IN DEFAULT

| | | | | | |
|-------------|----|----|----|----|----|
| Penalty | No | No | No | No | No |
| punishment | No | No | No | No | No |
| compounding | No | No | No | No | No |

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

INSIGHTS ON GLOBAL ECONOMY

The global economy is projected to grow 6.0 percent in 2021 and 4.9 percent in 2022. The 2021 global forecast is unchanged from the April 2021 WEO, but with offsetting revisions. Prospects for emerging market and developing economies have been marked down for 2021, especially for Emerging Asia.

Recent price pressures for the most part reflect unusual pandemic-related developments and transitory supply-demand mismatches. Inflation is expected to return to its pre-pandemic ranges in most countries in 2022 once these disturbances work their way through prices, though uncertainty remains high. Elevated inflation is also expected in some emerging market and developing economies related in part to high food prices.

These revisions reflect pandemic developments and changes in policy support. The 0.5 percentage-point upgrade for 2022 derives largely from the forecast upgrade for advanced economies, particularly the United States, reflecting the anticipated legislation of additional fiscal support in the second half of 2021 and improved health metrics more broadly across the group.

A double hit to emerging market and developing economies from worsening pandemic dynamics and tighter external financial conditions would severely set back their recovery and drag global growth below this outlook's baseline.

The growth for H1 was roughly the same as the 14.5% on-year growth for the first five months of 2021, and for June alone, the output grew 11.6% on year to nearly 168 million tons among the 64 countries, or down 3.7% on month.

China, though still the world's top steelmaking country, posted the lowest on-year gain for the second month in June among the top ten steelmaking countries, or up 1.5% on year but down 5.6% on month to 93.9 million tons, the WSA data showed, with was in line with WSA's projection in April that for 2021 the other steelmaking countries would probably post stronger gains than China.

India, the world's second largest steel-producing country, posted the greatest gain among the top ten in steel output over January-June, up 31.3% on year though its steel output for June swelled just 21.4% on year, ranked the fifth in growth among the top ten, and three others posted surges by over 40% on year for June with Brazil scoring the highest 45.2% gain from a year ago.

For the first half of 2021, crude steel production among 64 countries worldwide under the monthly survey of World Steel Association (WSA) maintained its momentum in growth, up 14.4% on year to slightly above 1 billion tones.

(a) PRESENT STRENGTH OF THE COMPANY

The company has made extensive efforts in developing of various products used in steel and is working to survive in the business. However, due to Covid-19 Pandemic Situation Company's Business Operation has been shutdown for the year 2020-21.

(b) FUTURE OUTLOOK:

In Construction and Infrastructure Industry there is good demand of steel. The Steel bars and wires proposed to be manufactured by the Company by using new raw materials, and imported coal, Pig Iron etc. will find a new market for these two industries. There is a bright future for the company. Once the directors find the proposal commercially viable and receive good orders, the company will immediately start its production unit which would start earning good amount of profit for the company.

(c) COMPANY'S ACTION PLAN:

The management of your company is trying to identify and explore all the available possibilities for smooth marketing of the products of steel plates, steel bars, wires for construction industry and cast iron products for automobile industry with best available remunerative prices and also provide after sales service.

RISK AND CONCERNS

The process of Risk Management in the company identifies inherent risks in its operations and records residual risk after taking specific risk mitigation steps. The company has identified and categorized risks in the areas of Operations, Finance, Marketing, Regulatory Compliances and Corporate matter.

The volatility in price of sponge iron, excess supply of sponge iron in the market will have an effect of squeezing margins and poses risk to the profitability. New customers, new market and cost reduction have been identified as the mitigation measures.

Also, the enforcement of recent Tariff policy guidelines on power by Government of India that requires the State Electricity Regulatory Commission to ascertain sale price of power based on cost of generation will have an impact on the revenue from export of power.

Fluctuation of import coal price, increase in USD-INR exchange rate, may lead to increase in cost of production. This is mitigated by continuous evaluation of international coal price vis-à-vis Indian coal price and accordingly the action plan for procurement has been formulated.

INTERNAL CONTROL SYSTEM AND ITS ADEQUACY

The Company has adequate internal control procedures commensurate with its size and nature of its business. The objectives of these procedures are to ensure efficient use and protection of the Company's resources, accuracy in financial statements and due compliance of statutes and Company's policies and procedures.

HUMAN RESOURCES AND INDUSTRIAL RELATIONS

The Company is working on enhancing its competencies to take care of current and future business. Human Resource and Industrial Relations departments have developed systems and policies on recruitment, performance management, learning and development, and employee engagement. The Workers union of the Company has maintained healthy and cordial industrial relations, and has been an equal partner in implementing Company's policies and achieving stretched operational targets, year on year.

CAUTIONARY NOTE

Cautionary Statement The Above Management Discussion and Analysis describing the Company's objectives, projections, estimates and expectations may be "forward looking statements" within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations include external economic conditions affecting demand/supply influencing price conditions in the market in which the Company operates, changes in Government regulations, tax laws, and other incidental factors.

Annexure-A
FORM NO. MR-3

SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED ON MARCH 31, 2021

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

To,
The Members,
HEERA ISPAT LIMITED
CIN: L27101GJ1992PLC018101

I/we have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **HEERA ISPAT 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 records of **HEERA ISPAT 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 31st March 2021** complied with the statutory provisions listed hereunder and also that the company has proper Board-processes and compliances 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 record maintained by HEERA ISPAT LIMITED (CIN: L27101GJ1992PLC018101) for the financial year ended on March 31, 2021 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) The Securities Contracts (Regulations) 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 regulation made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings: **(NOT APPLICABLE FOR THE YEAR UNDER REVIEW)**

(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 Takeover) Regulations, 2011;

(b) The Securities and Exchange Board of India (Prohibition of Insider Training) Regulations, 1992;

(c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;

(d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; **(NOT APPLICABLE FOR THE YEAR UNDER REVIEW)**

(e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **(NOT APPLICABLE FOR THE YEAR UNDER REVIEW)**

(f) The Securities and Exchange Board of India (Registrar 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 FOR THE YEAR**

(h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; **(NOT APPLICABLE FOR THE YEAR UNDER REVIEW)**

(vi) As stated in the **Annexure – A** – all the laws, rules, regulations are applicable specifically to the company.

(vii) No other major corporate events occurred during the year and various compliances made by the Company with applicable Laws, Rules, Regulations, and Listing Regulations.

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

(i) Secretarial Standards issued by The Institute of Company Secretaries of India and applicable w.e.f July 01, 2015 or any amendment, substitution, if any, are adopted by the Company and are complied with.

(ii) The Listing Agreements entered into by the Company with The B S E Limited and the provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

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

I further report that

The board of directors of the company is duly constituted with proper balance of executive directors, non -executives directors, independent directors and woman director. There was no Change in the Constitution of the Board of Directors during the year under review. ***Except Company has not Appointed Women Director Pursuant to Companies Act,2013 and Company has not Appointed Internal Auditors as per Section 139 of the Companies Act,2013.***

We further report that the website of the Stock Exchange BSE Ltd still shows following persons as Directors, even though they are as on date not the directors of the Company. The Company needs to take adequate steps to update BSE in this regard.

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 or with consent of directors at a shorter notice, and a system exists for seeking and obtaining further information and clarification on the agenda items before the meeting and for meaningful participation at the meeting. Majority decision is carried through while the dissenting members' views, if any, are captured and recorded as part of the minutes.

I Further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliances with applicable laws, rules, regulations and guidelines.

I further report that during the audit period, in the company there was no specific event / action that can have a bearing on the company's compliance responsibilities in pursuance of the above referred laws, rules, regulations, guideline, standards, except our observation as aforesaid paragraphs.

We draw the attention to the Report of the Statutory Auditors and financial statements regarding

- 1. NON-Operations of any business activities and revenue generation activities within the company during the Year.***
- 2. Booking of the Impairment Loss on the Long term Investments made by company in the Preference share capital of M/s. Heavy Metals and Tubes Ltd and also the Booking of Rs.72.21 Lacs of impairment Loss in the Long term Loans and Investments given to the said company.***

Place: Ahmedabad
Date: August 14, 2021

FOR KAMLESH M. SHAH & CO.,
PRACTICING COMPANY SECRETARIES

(KAMLESH M. SHAH)
PROPREITOR
ACS: 8356, COP: 2072

“ANNEXURE-A”

Securities Laws

1. All Price Sensitive Information were informed to the stock exchanges from time to time
2. All investors' complaint directly received by the RTA & Company is recorded on the same date of receipts and all are resolved within reasonable time.
3. The Company has paid all dues of the Stock Exchanges including the Annual Listing Fees.

Labour Laws

1. All the premises and establishments have been registered with the appropriate authorities.
2. The Company has not employed any child labour/ Bonded labour in any of its establishments.
3. Provisions with relate to compliances of PF/ESI/Gratuity Act are NOT applicable to Company during the year under review.
4. There was no incidence of Sexual Harassment to any of the Female/ Women employee of the Company.

Environmental Laws

During the year under review there was no Manufacturing business activities in the Company. The Provisions of the Environmental laws and regulations relating to obtaining any specific permissions or licenses if any are not applicable to the company during the year.

Taxation Laws

The company follows all the provisions of the Indirect taxation laws and Income Tax Act, 1961 and filing the returns at proper time with Income tax department and all other applicable departments.

Place: Ahmedabad
Date: August 11, 2021

FOR KAMLESH M. SHAH & CO.,
PRACTICING COMPANY SECRETARIES

(KAMLESH M. SHAH)
PROPREITOR
ACS: 8356, COP: 2072

ANNEXURE B

To
The Members,
HEERA ISPAT LIMITED
CIN: L27101GJ1992PLC018101
BLOCK NO B-104 GANESH HOMES NEAR PRAMUKH BUNGLOWS
BEHIND SAHAJANANG HOMES CHENPUR ROAD NEW RANIP AHMEDABAD 382470 GUJARAT INDIA

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

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. 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.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events.
5. The compliance of the provisions of corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures and compliances done are on test basis.
6. The secretarial audit report is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.
7. We have relied on Management Representation Letter provided by the Company before issuing this Report to the Company.

Place: Ahmedabad
Date: August 11, 2021

FOR KAMLESH M. SHAH & CO.,
PRACTICING COMPANY SECRETARIES

(KAMLESH M. SHAH)
PROPRIETOR
ACS:8356 COP: 2072

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

To,
Members,
HEERA ISPAT LIMITED,
Ahmedabad-70, Gujarat

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of HEERA ISPAT LIMITED bearing CIN: L27101GJ1992PLC018101 and having its registered office at BLOCK NO B-104 GANESH HOMES NEAR PRAMUKH BUNGLOWS BEHIND SAHAJANANG HOMES CHENPUR ROAD NEW RANIP AHMEDABAD 382470 GUJARAT INDIA (hereinafter referred to 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal (www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its officers, we hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on March 31, 2021 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority. **However, All the Independent Directors are not Registered at www.independentdirectorsdatabank.in portal but the appointment of all Independent Directors were made before the New Rules for Mandatory Registration at IICA comes into the force.**

| Sr. No. | Name of Director | DIN | Disqualified Under Section 164 of Companies Act,2013 | Deactivation of DIN Due to Non-Filing of DIR-3 KYC |
|---------|---------------------|----------|--|--|
| 1 | Dineshkumar S Rao | 06379029 | N.A. | N.A. |
| 2 | Prakash N. Shah | 06376987 | N.A. | N.A. |
| 3 | Radheshyam R. Patel | 02694786 | N.A. | N.A. |
| 4 | Alpesh K. Patel | 00389094 | N.A. | N.A. |

Ensuring the eligibility of the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification.

For, Kamlesh M. Shah & Co.,
Practicing Company Secretary

Place: Ahmedabad
Date: June 04, 2021
UDIN: A008356C000421758

Kamlesh M. Shah
(Proprietor)
(ACS: 8356, COP: 2072)

INDEPENDENT AUDITOR'S REPORT

To the members of Heera Ispat Limited

Report on the Audit of the Financial Statements

We have audited the financial statements of Heera Ispat Limited (“the Company”) vide certificate of incorporation no: L27101GJ1992PLC018101, which comprise the balance sheet as at 31st March 2021, and the statement of profit and loss, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information [herein to referred as “the financial statements”]

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid 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, 2021, and its profit/loss, changes in equity and its cash flows for the year ended on that date.

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 Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Basis for Qualified Opinion

- a. As discussed in Note 21, the Company has Rs. Nil (Previous year Rs. Nil) revenue from operations. The company has been unable to conclude negotiation or obtain business orders. In view of the management’s expectation of the successful business agreement in near future, the financial statements have been prepared on a going concern basis. This situation indicates that a material uncertainty exists that may cast significant doubt on the Company’s ability to continue as a going concern. The financial statements do not adequately disclose this matter.

Emphasis of Matter

- a. As discussed in Note 22, the company has recognized impairment loss of Rs. 270.99 lakhs comprising of Rs. 175.00 lakhs for investment in preference shares and Rs. 95.99 lakhs for loans

and advances. The assessment involves significant management judgment and estimates on the valuation methodology. In view of aforesaid, we are unable to obtain sufficient appropriate audit evidence regarding basis of management estimation.

Our opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. 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 the matters described below to be key audit matters to be communicated in our report.

| Description of key audit Matter | Auditors' Response |
|--|--|
| <p><u>Impairment of Investment and Loans and Advances:</u></p> <p>The Company has invested in and advanced loan to Heavy Metal & Tubes Ltd. Creditor of party filed petition with NCLT and petition has been accepted with NCLT. Given the process is ongoing the Management applies significant judgement when considering whether and how much, to provide for the potential exposure of such loan amount.</p> <p>We focused on this area given the number, complexity and magnitude of potential exposures across the Company, the judgement necessary to determine whether and what amounts to provide for and/or to disclose.</p> | <p>The ongoing process of CIRP of party is accepted at NCLT and the company has recognized whole amount as impairment loss of Rs. 167.2 lakhs.</p> |

Responsibilities of Management and Those Charged with Governance for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, (changes in equity) and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and

estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board of Directors 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 the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the 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 financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the financial statements.

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

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

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

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

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 the "Annexure B" statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, based on our audit we report that:

- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books and proper returns adequate for the purposes of our audit have been received from the branches not visited by us.
- (c) The reports on the accounts of the branch offices of the Company audited under Section 143(8) of the Act by branch auditors have been sent to us and have been properly dealt with by us in preparing this report.
- (d) The Balance Sheet, the Statement of Profit and Loss, (the Statement of Changes in Equity) and the Cash Flow Statement dealt with by this Report are in agreement with the books of account and with the returns received from the branches not visited by us.
- (e) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (f) On the basis of the written representations received from the directors as on 31st March, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2021 from being appointed as a director in terms of Section 164(2) of the Act.
- (g) 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".
- (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 Naresh J. Patel & Co.
Chartered Accountants
(FRN: 123227W)

Place: Ahmedabad
Date: 30th June, 2021
UIDN: 21110741AAAAAU7937

Chintan N. Patel
(Partner)
Membership No: 110741

ANNEXURE A TO THE AUDITOR'S REPORT

Referred to in Paragraph 1 under 'Report on other Legal & Regulatory Requirements' section of our report to the members of **HEERA ISPAT LIMITED** of even date

1. The company has no fixed assets, thus the clause 3(l) (a), (b) and (c) are not applicable to the company.
2. As explained to us, the company has not been engaged during the year in any activity which involves inventory hence verification of stock and other related matters are not applicable.
3. According to the information and explanation given to us and on the basis of our examination of books of account, the company has not granted any loans, secured or unsecured to the parties covered in the register maintained U/s 189 of the companies act, 2013. Accordingly, clause (III) (a), (b) and (c) of the order are not applicable.
4. According to the information and explanation given to us, the Company has not granted any loans or made any investments or provided any guarantees or security to the parties covered under Section 185 and 186 of the Act. Accordingly the provisions of Clause 3(iv) of the order are not applicable to the company.
5. According to the information and explanation given to us and on the basis of our examination of books of account, the company has not accepted deposits, hence the directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules framed there under are not applicable.
6. The central government has not prescribed the maintenance of cost records under section 148(1) of the Act, in respect of any of the company's products and hence clause VI of CARO 2016 is not applicable.
7. (a) According to the records of the company undisputed statutory dues including provident fund, income tax, service tax, value added tax, cess, excise duty and other material statutory dues have been regularly deposited during the year by the Company with the appropriate authorities. As explained to us, the Company did not have any dues on account of employees' state insurance & custom duty. According to the information and explanations given to us, no undisputed amounts payable in respect of the aforesaid dues were outstanding as at 31 March 2021 for a period of more than six months from the date they became payable.
(b) According to the information and explanations given to us, there are no material dues of income tax or sales tax or service tax or duty of customs or duty of excise or value added tax which have not been deposited with the appropriate authorities on account of any dispute.
8. The company has neither taken any loans or borrowing from a financial institution, bank, Government nor has issued debentures.

CIN:L27101GJ1992PLC018101

9. The company has not raised any moneys by way of initial public offer, further public offer (including debt instruments) and term loans. Accordingly the provision of Clause 3(ix) of the order are not applicable to the company.
10. During the course of our examination of the books and records of the company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanation given to us, we have neither come across any instances of material fraud by the company by its officers or employees, noticed or reported during the year, nor we have been informed of any such case by the management.
11. According to the information provided, managerial remuneration has been paid in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act 2013.
12. The company is not declared as Nidhi Company moreover the company does not function on the lines of Nidhi company hence the said clause of the Order is not applicable.
13. As per the information and explanation provided, the company has not entered into any transactions with the related parties that require approval under section 177 and 188 of Companies Act, 2013 and the rules thereunder. Hence clause (xiii) of the order is not applicable.
14. The company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review and hence the clause XIV is not applicable.
15. The company has not entered into any non-cash transactions with directors or persons connected with him and hence the provisions of section 192 of Companies Act, 2013 are not applicable.
16. The company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence this clause is not applicable.

For Naresh J. Patel & Co.
Chartered Accountants
(FRN: 123227W)

Place: Ahmedabad
Date: 30th June, 2021
UIDN: 21110741AAAAAU7937

Chintan N. Patel
(Partner)
Membership No: 110741

Annexure B to the Independent Auditors' Report of even date on financial statements of Heera Ispat Limited- 31 March 2021.

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

We have audited the internal financial controls over financial reporting of Heera Ispat Limited ("the Company") as of 31 March 2021 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls:

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility:

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls over Financial Reporting:

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial

statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting includes those policies and procedures that:

- (1) Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company;
- (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the Company; and
- (3) Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting:

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

Opinion:

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2021, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Naresh J. Patel & Co.
Chartered Accountants
(FRN: 123227W)

Place: Ahmedabad
Date: 30th June, 2021
UIDN: 21110741AAAAAU7937

Chintan N. Patel
(Partner)
Membership No: 110741

HEERA ISPAT LIMITED
CIN: L27101GJ1992PLC018101

Balance sheet as on 31st march 2021

REG . OFFC.:BLOCK NO B-104 GANESH HOMES NEAR PRAMUKH BUNGLOWS BEHIND SAHAJANANG HOMES
CHENPUR ROAD NEW RANIP AHMEDABAD 382470 GUJARAT INDIA

(Rupees)

| Particulars | Notes | As at 31st March 2021 | As at 31st March 2020 |
|--|-------|--------------------------|--------------------------|
| ASSETS | | | |
| Non-current assets | | | |
| (a) Property, Plant and Equipment | | - | - |
| (b) Financial Assets | | | |
| (i) Investments | 2 | - | 1,75,00,000 |
| (ii) Trade receivables | | - | - |
| (iii) Loans | 3 | 18,814 | 96,60,293 |
| (iv) Others | | - | - |
| (c) Deffered Tax Assets | 4 | - | 30,19,574 |
| (j) Other non current assets | | - | - |
| Current assets | | | |
| (a) Inventories | | - | - |
| (b) Financial Assets | | | |
| (i) Investments | | - | - |
| (ii) Trade Receivable | | - | - |
| (iii) Cash and cash equivalents | 5 | 2,70,425 | 2,58,239 |
| (iv) Bank balances other than (iii) above | | - | - |
| (c) Current Tax Assets (Net) | 6 | 59,865 | 59,865 |
| (d) Other current assets | | - | - |
| TOTAL ASSETS | | 3,49,104 | 3,04,97,970 |
| EQUITY AND LIABILITIES | | | |
| Equity | | | |
| (a) Equity Share capital | 7 | 5,88,28,000 | 5,88,28,000 |
| (b) Other Equity | 8 | (5,99,10,862) | (2,85,62,742) |
| Non-current liabilities | | | |
| (a) Financial Liabilities | | - | - |
| (b) Provisions | | - | - |
| Current liabilities | | | |
| (a) Financial Liabilities | | | |
| (i) Borrowings | 9 | 11,13,787 | - |
| (i) Trade payables | 10 | 1,17,592 | 87,261 |
| (ii) Other financial liabilities | | - | - |
| (b) Other current liabilities | | 2,086 | 1,390 |
| (c) Provisions | 11 | 1,98,500 | 1,44,060 |
| TOTAL EQUITY AND LIABILITIES | | 3,49,104 | 3,04,97,970 |
| Summary of Significant Accounting Policies | 1 | | |

The accompanying notes are an integral part of the financial statements

As per our report of even date attached herewith

For Naresh J. Patel & Co.

Chartered Accountants

Firm Reg. No. 123227W

For Heera Ispat Ltd.

Chintan N. Patel

(Partner)

M. No. 110741

Dinesh Rao

Director

DIN: 06379029

Prakash N. Shah

Whole Time

Director & CFO

DIN: 06376987

Atulaben J. patel

Company Secretary

Place : Ahmedabad

Date : 30/06/2021

Place : Ahmedabad

Date : 30/06/2021

HEERA ISPAT LIMITED
CIN: L27101GJ1992PLC018101

Balance sheet as on 31st march 2021
REG . OFFC.:BLOCK NO B-104 GANESH HOMES NEAR PRAMUKH BUNGLOWS BEHIND SAHAJANANG HOMES
CHENPUR ROAD NEW RANIP AHMEDABAD 382470 GUJARAT INDIA (Rupees)

| Particulars | Notes | As at 31st March 2021 | As at 31st March 2020 |
|---|-------|-----------------------|-----------------------|
| Income | | | |
| Revenue from operations | | - | - |
| Other income | 12 | - | 13,03,060 |
| Total Income | | - | 13,03,060 |
| Expenses | | | |
| Employee benefits expense | 13 | 3,30,000 | 1,57,000 |
| Finance costs | | 1,045 | - |
| Depreciation and amortization expense | | - | - |
| Listing Fees | | 3,54,000 | 3,54,000 |
| Other expenses | 14 | 5,44,762 | 2,98,966 |
| Total expenses | | 12,29,807 | 8,09,966 |
| Profit/(loss) before exceptional items and tax | | (12,29,807) | 4,93,094 |
| Exceptional Items | 22 | (2,70,98,739) | (72,21,392) |
| Profit/(loss) before tax | | (2,83,28,546) | (67,28,298) |
| Tax expense: | | | |
| Current tax | | - | - |
| Deferred tax | | 30,19,574 | (15,38,766) |
| Profit/(loss) for the period | | (3,13,48,120) | (51,89,532) |
| Other Comprehensive Income | | | |
| Items that will not be reclassified to profit or loss | | - | - |
| Income tax relating to items that will not be reclassified to profit and loss account | | - | - |
| Total Comprehensive Income for the period | | (3,13,48,120) | (51,89,532) |
| Earnings per equity share (for continuing operation): | | | |
| Basic | | (5.33) | (0.88) |
| Diluted | | (5.33) | (0.88) |
| Summary of Significant Accounting Policies | 1 | | |

The accompanying notes are an integral part of the financial statements

As per our report of even date attached herewith

For Naresh J. Patel & Co.

For Heera Ispat Ltd.

Chartered Accountants

Firm Reg. No. 123227W

Chintan N. Patel

(Partner)

Dinesh Rao

Director

Prakash N. Shah

Whole Time Director

& CFO

M. No. 110741

DIN: 06379029

DIN: 06376987

Atulaben J. patel

Company Secretary

Place : Ahmedabad

Date : 30/06/2021

Place : Ahmedabad

Date : 30/06/2021

HEERA ISPAT LIMITED

CIN: L27101GJ1992PLC018101

CASH FLOW STATEMENT FOR THE YEAR 2020-21

**BLOCK NO B-104 GANESH HOMES NEAR PRAMUKH BUNGLOWS BEHIND SAHAJANANG HOMES CHENPUR ROAD NEW
RANIP AHMEDABAD 382470 GUJARAT INDIA**

(Rupees)

| PARTICULARS | 31-Mar-21 | 31-Mar-20 |
|--|--------------------|-------------------|
| | Amt (Rs) | Amt (Rs) |
| A. CASH FLOW FROM OPERATING ACTIVITIES: | | |
| Profit before tax | (2,83,28,546) | (67,28,298) |
| Non-cash adjustment to reconcile profit before tax to net cash flows | | |
| LESS: | - | - |
| Exception Item | (2,70,98,739) | (72,21,392) |
| Interest Income Using Effective Interest Method | - | 13,03,060 |
| Operating Profit before Working Capital Changes | (12,29,807) | (8,09,966) |
| Movement in Working Capital : | | |
| (Increase) / Decrease in Short term provisions | 54,440 | 40,460 |
| (Increase) / Decrease in Loans & Advances and Deposits | | 9,93,260 |
| (Increase)/ Decrease in other current liability | 696 | (2,000) |
| (Increase) / Decrease in trade payable | 30,331 | (2,26,533) |
| (Increase) / Decrease in Other Current Asset/current tx asset | - | - |
| Cash generated from / (used in) operations | 85,467 | 8,05,187 |
| Income Tax Paid | - | - |
| Net Cash Flow From / (Used in) Operating Activities (A) | (11,44,340) | (4,779) |
| B. CASH FLOW FROM INVESTING ACTIVITIES : | | |
| Purchase Of Investment/Deposit | 42,740 | - |
| Net Cash Flow From / (Used in) Investing Activities (B) | 42,740 | - |
| C. CASH FLOW FROM FINANCING ACTIVITIES: | | |
| Proceeds from share capital | - | - |
| Proceeds from Loan Fund | 11,13,787 | - |
| Loan Repaid | - | - |
| Net Cash Flow From / (Used in) Financing Activities (C) | 11,13,787 | - |
| Net Increase/ (Decrease) in Cash & Cash Equivalent (A+B+C) | 12,187 | (4,779) |
| Cash & Cash Equivalents at the beginning of the year | 2,58,239 | 2,63,018 |
| Cash & Cash Equivalents at the end of the year | 2,70,425 | 2,58,239 |

The above Cash Flow Statement has been prepared under the "Indirect Method" as set in the Accounting Standard (Ind AS-7) Statements of Cash Flow.

Disclosure as required by Ind AS 7

Reconciliation of liabilities arising from financing activities

As at March 31, 2021

Amt. in Rs.

| Particulars | Opening Balance | Cash Flows | Closing Balance |
|------------------------|------------------------|-------------------|------------------------|
| Non Current Borrowings | - | - | - |
| Current Borrowings | - | 11,13,787 | 11,13,787 |
| Total | - | 11,13,787 | 11,13,787 |

As per our report of even date

For Naresh J. Patel & Co.**Chartered Accountants****Firm Reg. No. 123227W****For, HEERA ISPAT LTD.****Chintan N. Patel****(Partner)****M. No. 110741****Dinesh Rao****Director****DIN: 06379029****Prakash N. Shah**
Director & CFO**Director & CFO****DIN: 06376987****Atulaben J. Patel****Company Secretary****Place : Ahmedabad****Date : 30/06/2021****Place : Ahmedabad****Date : 30/06/2021**

HEERA ISPAT LIMITED

Statement of Change in Equity as on year ended 31st March 2021

A. Equity Share capital

(Rupees)

| Particulars | As at 31 March 2021 | | As at 31 March 2020 | |
|-------------------------|---------------------|-------------|---------------------|-------------|
| | No. of shares | Amt. (Rs.) | No. of shares | Amt. (Rs.) |
| Shares at the beginning | 58,82,800 | 5,88,28,000 | 58,82,800 | 5,88,28,000 |
| Addition | - | - | - | - |
| Deletion | - | - | - | - |
| Shares at the end | 58,82,800 | 5,88,28,000 | 58,82,800 | 5,88,28,000 |

B. Other Equity

As at 31st March 2021

(Rupees)

| Particulars | Reserves and Surplus | | | | Total |
|--|----------------------------|----------------------------|-----------------|-------------------|---------------|
| | Capital Redemption Reserve | Securities Premium Reserve | General Reserve | Retained Earnings | |
| Balance at the beginning of the reporting period | - | - | - | (2,85,62,742) | (2,85,62,742) |
| Profit for the year | - | - | - | (3,13,48,120) | (3,13,48,120) |
| Balance at the end of the reporting period | - | - | - | (5,99,10,862) | (5,99,10,862) |

As at 31st March 2020

(Rupees)

| Particulars | Reserves and Surplus | | | | Total |
|--|----------------------------|----------------------------|-----------------|-------------------|---------------|
| | Capital Redemption Reserve | Securities Premium Reserve | General Reserve | Retained Earnings | |
| Balance at the beginning of the reporting period | - | - | - | (2,33,73,210) | (2,33,73,210) |
| Profit for the year | - | - | - | (51,89,532) | (51,89,532) |
| Balance at the end of the reporting period | - | - | - | (2,85,62,742) | (2,85,62,742) |

As per our report of even date attached herewith

For Naresh J. Patel & Co.

Chartered Accountants

Firm Reg. No. 123227W

For Heera Ispat Ltd.

Chintan N. Patel

(Partner)

M. No. 110741

Place : Ahmedabad

Date : 30/06/2021

Dinesh Rao

Director

DIN: 06379029

Atulaben J. Patel

Company Secretary

Place : Ahmedabad

Date : 30/06/2021

Prakash N. Shah

Whole Time

Director & CFO

DIN: 06376987

Heera Ispat Limited
Notes to Financial statements for the year ended 31st March 2021

Note 1 Statement of significant Accounting policies and practices

A. Significant Accounting policies

A.1. Statement of compliance with Ind AS

These financial statements are prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 as amended and other relevant provisions of the Act.

A.2. Basis of accounting

The Company maintains accounts on accrual basis following the historical cost convention, except for certain financial instruments that are measured at fair value in accordance with Ind AS.

Fair value measurements under Ind AS are categorised as below based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the company can access at measurement date;
- Level 2 inputs are inputs, other than quoted prices included in level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the valuation of assets/liabilities

A.3. Presentation of Financial Statements

The Balance Sheet and the Statement of Profit and Loss are prepared and presented in the format prescribed in the Schedule III to the Companies Act, 2013 ("the Act"). The statement of cash flows has been prepared and presented as per the requirements of Ind AS 7 "Statement of Cash flows". The disclosure requirements with respect to items in the Balance Sheet and Statement of Profit and Loss, as prescribed in the Schedule III to the Act, are presented by way of notes forming part of the financial statements along with the other notes required to be disclosed under the notified Accounting Standards and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

B. Property, Plant and Equipment (PPE)

i. Recognition and Measurement

PPE is recognised when it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably. PPE is stated at original cost net of tax/duty credits availed, if any, less accumulated depreciation and cumulative impairment, if any. Cost includes professional fees related to the acquisition of PPE and for qualifying assets, borrowing costs capitalised in accordance with the company's accounting policy.

ii. Depreciation/Amortisation

Depreciation is recognised using straight line method so as to write off the cost of the assets (other than freehold land and properties under construction) less their residual values over their useful lives specified in Schedule II to the Companies Act, 2013, or in the case of assets where the useful life was determined by technical evaluation, over the useful life so determined. Depreciation method is reviewed at each financial year end to reflect the expected pattern of consumption of the future economic benefits embodied in the asset. The estimated useful life and residual values are also reviewed at each financial year end and the effect of any change in the estimates of useful life/residual value is accounted on prospective basis.

Where cost of a part of the asset ("asset component") is significant to total cost of the asset and useful life of that part is different from the useful life of the remaining asset, useful life of that significant part is determined separately and such asset component is depreciated over its separate useful life.

Depreciation charge for impaired assets is adjusted in future periods in such a manner that the revised carrying amount of the asset is allocated over its remaining useful life.

Assets acquired under finance leases are depreciated on a straight line basis over the lease term. Where there is reasonable certainty that the company shall obtain ownership of the assets at the end of the lease term, such assets are depreciated based on the useful life prescribed under Schedule II to the Companies Act, 2013 or based on the useful life adopted by the company for similar assets.

Freehold land is not depreciated.

C. Use of Estimates and Judgements

The preparation of financial statements in conformity with Ind AS requires that the management of the company makes estimates and assumptions that affect the reported amounts of income and expenses of the period, the reported balances of assets and liabilities and the disclosures relating to contingent liabilities as of the date of the financial statements. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates include useful lives of property, plant and equipment, Intangible assets, allowance for doubtful debts/advances, future obligations in respect of retirement benefit plans, expected cost of completion of contracts, provision for rectification costs, fair value measurement etc. Difference, if any, between the actual results and estimates is recognised in the period in which the results are known.

D. Financial instruments

Financial assets and/or financial liabilities are recognised when the company becomes party to a contract embodying the related financial instruments. All financial assets, financial liabilities and financial guarantee contracts are initially measured at transaction values and where such values are different from the fair value, at fair value. Transaction costs that are attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from as the case may be, the fair value of such assets or liabilities, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss. In case of interest free or concession loans given to subsidiary companies, the excess of the actual amount of the loan over initial measure at fair value is accounted as an equity investment.

Financial assets

Classification

All recognised financial assets are subsequently measured in their entirety at amortised cost or at fair value depending

1. Investment in preference shares of the companies are measured at Amortised Cost i.e. Effective Interest Cost Method permissible under Ind AS 109.

Initial measurement

At initial recognition, the Company measures a financial asset when it becomes a party to the contractual provisions of the instruments and measures at its fair value except trade receivables which are initially measured at transaction price. Transaction costs are incremental costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss. A regular way purchase and sale of financial assets are accounted for at trade date.

Subsequent measurement

-Financial assets at FVTPL

These assets are subsequently measured at fair value. Net gains including any interest or dividend income, are recognized in profit or loss.

-Financial assets at amortized cost

These assets are subsequently measured at amortized cost using the effective interest method. The amortized cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognized in profit or loss. Any gain or loss on de-recognition is recognized in profit or loss.

For financial assets that are measured at FVTOCI, income by way of interest, dividend and exchange difference (on debt instrument) is recognised in profit or loss and changes in fair value (other than on account of such income) are recognised in Other Comprehensive Income and accumulated in other equity. On disposal of debt instruments measured at FVTOCI, the cumulative gain or loss previously accumulated in other equity is reclassified to profit or loss. In case of equity instruments measured at FVTOCI, such cumulative gain or loss is not reclassified to profit or loss on disposal of investments.

Derecognition

A financial asset is primarily derecognised when:

1. the right to receive cash flows from the asset has expired, or

2. the company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a pass-through arrangement; and (a) the company has transferred substantially all the risks and rewards of the asset, or b) the company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset. On derecognition of a financial asset in its entirety, the difference between the carrying amount measured at the date of derecognition and the consideration received is recognised in profit or loss.

Impairment of financial assets

The company recognises impairment loss on trade receivables using expected credit loss model, which involves use of a provision matrix constructed on the basis of historical credit loss experience as permitted under Ind AS 109 .

Financial Liabilities

i) Classification, Subsequent Measurement and Gains and Losses

Financial liabilities, including derivatives and embedded derivatives, which are designated for measurement at FVTPL are subsequently measured at fair value. Financial guarantee contracts are subsequently measured at the amount of impairment loss allowance or the amount recognised at inception net of cumulative amortisation, whichever is higher. All other financial liabilities including loans and borrowings are measured at amortised cost using Effective Interest Rate (EIR) method

Derecognition

The Company derecognizes a financial liability when its contractual obligations are discharged or cancelled, or expire. The Company also derecognises a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on the modified terms is recognised at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognised in the profit or loss.

E. Offsetting financial instruments

The financial assets and financial liabilities are offset and presented on net basis in the Balance Sheet when there is a current legally enforceable right to set-off the recognised amounts and it is intended to either settle on net basis or to realise the asset and settle the liability simultaneously.

F. Basis of Measurement

The financial statements have been prepared on the historical cost basis except for the following items:

| ITEMS | MEASUREMENT BASIS |
|---|-----------------------------|
| 1) Investments in Preference Share | Fair value (Amortised Cost) |
| 3) Certain Financial Assets & Liabilities | Fair value |

G. Revenue recognition

Ind AS 115 "Revenue from Contracts with Customers" provides a control-based revenue recognition model and provides a five step application approach to be followed for revenue recognition.

- Identify the contract(s) with a customer;
- Identify the performance obligations;
- Determine the transaction price;
- Allocate the transaction price to the performance obligations;
- Recognise revenue when or as an entity satisfies performance obligation.

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services.

Sale of Goods

For sale of goods, revenue is recognised when control of the goods has transferred at a point in time i.e. when the goods have been delivered to the specific location (delivery). Following delivery, the customer has full discretion over the responsibility, manner of distribution, price to sell the goods and bears the risks of obsolescence and loss in relation to the goods. A receivable is recognised by the Company when the goods are delivered to the customer as this represents the point in time at which the right to consideration becomes unconditional, as only the passage of time is required before payment is due. Payment is due within 45-120 days. The Company considers the effects of variable consideration, the existence of significant financing components, noncash consideration, and consideration payable to the customer (if any).

Other Income

- (1.) Interest income is accrued on a time basis by reference to the principal outstanding and the effective interest rate.
- (2.) Dividend income is accounted in the period in which the right to receive the same is established.

H. Taxation

Income tax comprises current and deferred tax. It is recognised in profit or loss except to the extent that it relates to a business combination or to an item recognised directly in equity or in other comprehensive income.

Income tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates (and tax laws) enacted or substantively enacted by the reporting date. Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

Deferred taxes

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the company's financial statements and the corresponding tax bases used in computation of taxable profit and quantified using the tax rates and laws enacted or substantively enacted as on the Balance Sheet date.

Deferred tax liabilities are generally recognised for all taxable temporary differences including the temporary differences associated with investments in subsidiaries and associates, and interests in joint ventures, except where the company is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax assets are generally recognised for all taxable temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax assets relating to unabsorbed depreciation/business losses/losses under the head "capital gains" are recognised and carried forward to the extent of available taxable temporary differences or where there is convincing other evidence that sufficient future taxable income will be available against which such deferred tax assets can be realised.

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

Transaction or event which is recognised outside profit or loss, either in other comprehensive income or in equity, is recorded along with the tax as applicable.

I. Provisions, contingent liabilities and contingent assets

Provisions are recognised only when:

- a) the company has a present obligation (legal or constructive) as a result of a past event;
- b) it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and
- c) a reliable estimate can be made of the amount of the obligation.

Provision is measured using the cash flows estimated to settle the present obligation and when the effect of time value of money is material, the carrying amount of the provision is the present value of those cash flows.

Reimbursement expected in respect of expenditure required to settle a provision is recognised only when it is virtually certain that the reimbursement will be received.

Contingent liability is disclosed in case of:

- a) a present obligation arising from past events, when it is not probable that an outflow of resources will be required to settle the obligation; and
- b) a present obligation arising from past events, when no reliable estimate is possible.

Contingent assets are disclosed where an inflow of economic benefits is probable.

Provisions, contingent liabilities and contingent assets are reviewed at each Balance Sheet date.

Department appeals, in respect of cases won by the Company, are also considered as Contingent Liabilities.

J. Cash and Cash Equivalents

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

K. Statement of Cash Flows

Statement of Cash Flows is prepared segregating the cash flows into operating, investing and financing activities. Cash flow from operating activities is reported using indirect method, adjusting the net profit for the effects of:

- i. changes during the period in inventories and operating receivables and payables transactions of a non-cash nature;
- ii. non-cash items such as depreciation, provisions, deferred taxes, unrealised foreign currency gains and losses, and undistributed profits of associates; and
- iii. all other items for which the cash effects are investing or financing cash flows.

Cash and cash equivalents (including bank balances) shown in the Statement of Cash Flows exclude items which are not available for general use as on the date of Balance Sheet.

L. Recent Accounting Pronouncements:

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards. Amendments to existing Standards Ministry of Corporate Affairs has carried out amendments of the following accounting standards:

1. Ind AS 101 - First time adoption of Ind AS
2. Ind AS 102 – Shared Based Payment
3. Ind AS 103 – Business Combination
4. Ind AS 104 – Insurance Contracts
5. Ind AS 105 - Non-Current Assets Held for Sale and Discontinued Operations
6. Ind AS 106 - Exploration for and Evaluation of Mineral Resources
7. Ind AS 107 – Financial Instruments : Disclosures
8. Ind AS 108 – Operating Segments
9. Ind AS 109 – Financial Instruments
10. Ind AS 111 – Joint Arrangements
11. Ind AS 114 – Regulatory Deferral Accounts
12. Ind AS 115 - Revenue from Contracts with Customers
13. Ind AS 116 - Lease
14. Ind AS 1 - Presentation of Financial Statements
15. Ind AS 8 - Accounting Policies, Changes in Accounting Estimates and Errors
16. Ind AS 16 - Property, Plant and Equipment
17. Ind AS 27 - Separate Financial Statements
18. Ind AS 28 - Investments in Associates and Joint Ventures
19. Ind AS 34 - Interim Financial Reporting
20. Ind AS 37 - Provisions, Contingent Liabilities and Contingent Assets
21. Ind AS 38 - Intangible Assets
22. Ind AS 40 - Investment Property

The Company is in the process of evaluating the impact of the new amendments issued but not yet effective.

NOTE-02 INVESTMENT (NON-CURRENT)**(Rupees)**

| Particulars | Numbers | As at 31 March 2021 | As at 31 March 2020 |
|---|-----------|------------------------|------------------------|
| Investments recognized at Aamortised Cost | | | |
| Preference Shares of Heavy Metal Tubes Ltd. Face value of Rs. 10/- each | 25,00,000 | 2,06,07,647 | 2,06,07,647 |
| Less: Impairment during the year (Refer No | | (2,06,07,647) | (31,07,647) |
| | | - | 1,75,00,000 |
| | | - | 1,75,00,000 |
| TOTAL | | - | 1,75,00,000 |

NOTE - 03 LOANS (NON-CURRENT)**(Rupees)**

| Particulars | As at 31 March 2021 | As at 31 March 2020 |
|--|------------------------|------------------------|
| Other Advances - Unsecured Considered Good | 1,37,31,298 | 1,37,74,038 |
| Less: Impairment during the year (Refer No 22) | (1,37,12,484) | (41,13,745) |
| | 18,814 | 96,60,293 |
| TOTAL (A+B+C) | 18,814 | 96,60,293 |

NOTE - 04 DEFERRED TAX ASSET**(Rupees)**

| Particulars | As at 31 March 2021 | As at 31 March 2020 |
|------------------------------------|------------------------|------------------------|
| Fair Value of Financial Instrument | - | 30,19,574 |
| TOTAL | - | 30,19,574 |

Note: The Company concludes that a previously recognised deferred tax assets is no longer recoverable soon. Therefore, the company has written off the entire deferred tax assets. And the company will reconsider the facts and circumstance periodically to recognise deferred tax assets again.

Movement in Deferred Tax Assets**For the year ended on March 31, 2020****(Rupees)**

| Particulars | As at 31 March 2019 | Credit/(charge) e) in the Statement of Profit and Loss | Credit/(charge) in Other Comprehensive Income | As at 31 March 2020 |
|------------------------------------|---------------------------|--|--|------------------------|
| Fair Value of Financial Instrument | 14,80,807 | 15,38,766 | - | 30,19,574 |
| TOTAL | 14,80,807 | 15,38,766 | - | 30,19,574 |

For the year ended on March 31, 2021

(Rupees)

| Particulars | As at 31 March 2020 | Credit/(charge) e) in the Statement of Profit and Loss | Credit/(charge) in Other Comprehensive Income | As at 31 March 2021 |
|------------------------------------|---------------------------|--|--|------------------------|
| Fair Value of Financial Instrument | 30,19,574 | (30,19,574) | - | - |
| TOTAL | 30,19,574 | (30,19,574) | - | - |

COMPONENTS OF INCOME TAX EXPENSE

The major component of Income tax expense for the year ended on March 31, 2021 and March 31, 2020 are as follows:

(Rupees)

| Particulars | As at 31 March 2021 | As at 31 March 2020 |
|---|------------------------|------------------------|
| Statement of Profit and Loss | | |
| Current tax | | |
| Current income tax | - | - |
| Adjustment of tax relating to earlier periods | - | - |
| Deferred tax | | |
| Deferred tax expense | 30,19,574 | (15,38,766) |
| | 30,19,574 | (15,38,766) |
| Other comprehensive income | | |
| Deferred tax on | | |
| Net loss/(gain) on actuarial gains and losses | - | - |
| Debt instruments carried at FVTOCI | - | - |
| | | |
| Income tax expense as per the statement of profit and loss | 30,19,574 | (15,38,766) |

RECONCILIATION OF EFFECTIVE TAX

(Rupees)

| Particulars | As at 31 March 2021 | As at 31 March 2020 |
|---------------------------------------|------------------------|------------------------|
| Profit before tax | (2,83,28,546) | (67,28,298) |
| Tax @ 25.75% | (72,94,601) | (17,32,537) |
| <i>Adjustments for:</i> | | |
| Decongise of deferred tax assets | 99,97,499 | - |
| Effect of Taxes on Carry forward Loss | 3,16,675 | 2,08,566 |
| Others | - | (14,796) |
| Tax expense / (benefit) | 30,19,574 | (15,38,767) |

NOTE - 05 CASH AND CASH EQUIVALENTS & OTHER BANK BALANCES**(Rupees)**

| | As at 31 March 2021 | As at 31 March 2020 |
|----------------------------------|------------------------|------------------------|
| Cash and Cash Equivalents | | |
| Balances with Bank: | | |
| - In Current Accounts | 55,132 | 41,746 |
| Cash on Hand | 2,15,293 | 2,16,493 |
| TOTAL | 2,70,425 | 2,58,239 |

NOTE - 06 CURRENT TAX ASSET**(Rupees)**

| Particulars | As at 31 March 2021 | As at 31 March 2020 |
|------------------|------------------------|------------------------|
| Advance tax/ TDS | 59,865 | 59,865 |
| TOTAL | 59,865 | 59,865 |

NOTE - 07 SHARE CAPITAL**(Rupees)**

| Particulars | As at 31 March 2021 | As at 31 March 2020 |
|---|------------------------|------------------------|
| a) Authorised Shares: | | |
| 6,000,000 (P.Y.6,000,000) Equity Shares of Rs.10/- | 6,00,00,000 | 6,00,00,000 |
| | 6,00,00,000 | 6,00,00,000 |
| b) Issued, Subscribed & Fully Paid-up Shares: | | |
| 5,882,800 (P.Y.5,882,800 Equity Shares of Rs. 10/- each fully paid up | 5,88,28,000 | 5,88,28,000 |
| TOTAL | 5,88,28,000 | 5,88,28,000 |

The company has only one class of shares referred to as Equity shares having face value of Rs. 10 /- Each holder of Equity share is entitled to 1 vote per share.

In the event of liquidation of the company, the holders of equity shares will be entitled to receive any of the remaining assets of the company, after distribution of all preferential amounts. However, no such preferential amounts exists currently. The distribution will be in proportion to the number of shares held by the shareholders.

The details of shareholders holding more than 5% shares as at 31/03/2021 and 31/03/2020 is set out below.

| Name of Shareholder | As at 31 March 2021 | | As at 31 March 2020 | |
|---------------------|---------------------|--------|---------------------|--------|
| | No. of shares | % held | No. of shares | % held |
| Keena Kothari | 3,84,815 | 6.54% | 3,84,815 | 6.54% |
| Hasumati Mistry | 7,95,700 | 13.53% | 7,95,700 | 13.53% |

The Reconciliation of the number of shares outstanding and the amount of share capital as at 31/03/2021 & 31/03/2020 is set out below

| Particulars | As at 31 March 2021 | | As at 31 March 2020 | |
|-------------------------|---------------------|-------------|---------------------|-------------|
| | No. of shares | Amt. (Rs.) | No. of shares | Amt. (Rs.) |
| Shares at the beginning | 58,82,800 | 5,88,28,000 | 58,82,800 | 5,88,28,000 |
| Addition | - | - | - | - |
| Deletion | - | - | - | - |
| Shares at the end | 58,82,800 | 5,88,28,000 | 58,82,800 | 5,88,28,000 |

NOTE - 08 OTHER EQUITY

(Rupees)

| Particulars | As at 31 March 2021 | As at 31 March 2020 |
|--|------------------------|------------------------|
| Retained Earnings | | |
| Balance as per last Financial year | (2,85,62,742) | (2,33,73,210) |
| Add : Profit for the year | (3,13,48,120) | (51,89,532) |
| Net Surplus/ (Deficit) in the Statement of Profit and Loss | (5,99,10,862) | (2,85,62,742) |

NOTE - 09 BORROWING

(Rupees)

| Particulars | As at 31 March 2021 | As at 31 March 2020 |
|------------------------|------------------------|------------------------|
| Loan and Advance taken | 11,13,787 | |
| TOTAL | 11,13,787 | - |

NOTE - 10 TRADE PAYABLES

(Rupees)

| Particulars | As at 31 March 2021 | As at 31 March 2020 |
|----------------|------------------------|------------------------|
| Trade Payables | 1,17,592 | 87,261 |
| TOTAL | 1,17,592 | 87,261 |

NOTE - 11 OTHER CURRENT LIABILITIES

(Rupees)

| Particulars | As at 31 March 2021 | As at 31 March 2020 |
|----------------|------------------------|------------------------|
| Statutory Dues | 2,086 | 1,390 |
| TOTAL | 2,086 | 1,390 |

NOTE - 12 PROVISIONS (CURRENT)

(Rupees)

| Particulars | As at 31 March 2021 | As at 31 March 2020 |
|-------------------------|------------------------|------------------------|
| Provisions for Expenses | 1,98,500 | 1,44,060 |
| TOTAL | 1,98,500 | 1,44,060 |

NOTE - 13 OTHER INCOME**(Rupees)**

| Particulars | As at 31 March 2021 | As at 31 March 2020 |
|---|------------------------|------------------------|
| Interest Income using effective interest rate method* | - | 13,03,060 |
| TOTAL | - | 13,03,060 |

* Due to impairment and increase of substantial credit risk during the period, interest income as per effective interest rate method is not recognised for the year ended March 2021.

NOTE - 14 EMPLOYEE BENEFIT EXPENSE

| Particulars | As at 31 March 2021 | As at 31 March 2020 |
|--------------|------------------------|------------------------|
| Salary | 3,30,000 | 1,57,000 |
| TOTAL | 3,30,000 | 1,57,000 |

NOTE - 15 OTHER EXPENSE**(Rupees)**

| Particulars | As at 31 March 2021 | As at 31 March 2020 |
|--------------------------------|------------------------|------------------------|
| Legal and Professional Charges | 4,28,474 | 1,49,008 |
| Office Rent | - | 36,000 |
| Office expense | 7,775 | 4,800 |
| Stamp expense | 8,513 | 8,273 |
| Bank Commission | - | 885 |
| Payment to Auditors | | |
| Audit Fees | 85,000 | 85,000 |
| Other Advisory | 15,000 | 15,000 |
| TOTAL | 5,44,762 | 2,98,966 |

HEERA ISPAT LIMITED

Notes to the Standalone Financial Statements

Note 15 : Financial assets and liabilities**Financial assets by category****(Rupees)**

| Particulars | As at March 31, 2021 | | | | As at March 31, 2020 | | | |
|---|----------------------|-------|--------|-----------------|----------------------|-------|--------|--------------------|
| | Cost | FVTPL | FVTOCI | Amortised cost | Cost | FVTPL | FVTOCI | Amortised cost |
| Investments in | | | | | | | | |
| - Preference shares - Unquoted | - | - | - | - | - | - | - | 1,75,00,000 |
| Loans | - | - | - | 18,814 | - | - | - | 96,60,293 |
| Cash & cash equivalents (including other bank balances) | - | - | - | 2,70,425 | - | - | - | 2,58,239 |
| Total Financial assets | - | - | - | 2,89,239 | - | - | - | 2,74,18,532 |

Financial liabilities by category**(Rupees)**

| Particulars | As at March 31, 2021 | | | | As at March 31, 2020 | | | |
|------------------------------------|----------------------|-------|--------|------------------|----------------------|-------|--------|----------------|
| | Cost | FVTPL | FVTOCI | Amortised cost | Cost | FVTPL | FVTOCI | Amortised cost |
| Borrowings | - | - | - | 11,13,787 | - | - | - | - |
| Trade payables | - | - | - | 1,17,592 | - | - | - | 87,261 |
| Other financial liabilities | - | - | - | - | - | - | - | - |
| Total Financial liabilities | - | - | - | 12,31,379 | - | - | - | 87,261 |

Fair Value Hierarchy disclosure is not given since no financial instrument is measured FVTPL/FVTOCI as on 31st March, 2021 and 31st March, 2020

HEERA ISPAT LIMITED

Notes to the Standalone Financial Statements

Note 16 : Financial risk management

The Company's principal financial liabilities comprise of trade payables and other financial liabilities. The Company's principal financial assets include loans, cash and cash equivalents.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks.

1. Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk. Financial instruments affected by market risk include investments, trade receivables, trade payables, loans and borrowings and deposits.

Interest rate risk

Company is not exposed to the Interest rate risk because it does not have any borrowings. As company does not have any borrowings, interest rate sensitivity is not provided.

Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates does not arise, since company does not deal in exports.

Other market risks

The company does not have any investemnt in Quoted investments and hence Price risk does not arise.

2 Credit Risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is not exposed to credit risk.

3 Liquidity Risk

The Company monitors its risk of shortage of funds through using a liquidity planning process that encompasses an analysis of projected cash inflow and outflow.

The Company's objective is to maintain a balance between continuity of funding and flexibility largely through cashflow generation from its operating activities and the use of bank loans. The Company assessed the concentration of risk with respect to refinancing its debt and concluded it to be low. The Company has access to a sufficient variety of sources of funding.

The table below summarises the maturity profile of the Company's financial liabilities (including future interest payable) based on contractual undiscounted payments.

(Rupees)

| Particulars | On demand | Less than 3 months | 3 to 12 months | 1 to 5 years | > 5 years | Total |
|--|-----------|--------------------|----------------|--------------|-----------|-----------|
| As at year ended March 31, 2021 | | | | | | |
| Borrowings | - | - | 11,13,787 | - | - | 11,13,787 |
| Trade & other payables | - | 1,17,592 | - | - | - | 1,17,592 |
| As at year ended March 31, 2020 | | | | | | |
| Trade & other payables | - | 87,261 | - | - | - | 87,261 |

Note 17 : Capital Management

For the purpose of the Company's capital management, capital includes issued equity capital and all other equity reserves attributable to the equity holders of the Company. There are no debts in the company.

The Company manages its capital structure and makes adjustments to it in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Company includes, within net debt, interest bearing loans and borrowings, trade and other payables, less cash and short-term deposits.

No changes were made in the objectives, policies or processes for managing capital during the years ended March 31, 2021 and March 31, 2020.

HEERA ISPAT LTD.

Notes to the Standalone Financial Statements

NOTE 18 - EARNINGS PER SHARE

Basic earning per share is computed by dividing the net profit after tax by the weighted average number of equity shares outstanding during the period.

| Particulars | (Rupees) | |
|--|--------------------------|--------------------------|
| | Year ended 31-03-2021 | Year ended 31-03-2020 |
| Net Profit / (Loss) attributable to shareholders | (3,13,48,120) | (51,89,532) |
| Weighted average no. of. Equity Shares | 58,82,800 | 58,82,800 |
| Basic earning per share | -5.33 | -0.88 |

NOTE 19 - RELATED PARTY DISCLOSURE

Related Parties with whom transactions have taken place during the year

Key Managerial Personnel

- | | |
|--------------------|-----------------------------|
| 1) Ramesh Mistry | 5) Radheshyam Lodha |
| 2) Dharmesh Mistry | 6) Ramanugrah Rambahalsingh |
| 3) Alpesh Patel | 7) Suhag V. Shah |
| 4) Dinesh Rao | 8) Prakash N Shah |

| Name | Relationship | Nature of transaction | Transaction during the year | |
|------------|--------------|-----------------------|-----------------------------|----------|
| | | | 2021 | 2020 |
| Suhag Shah | CFO | Remmuneration | 1,20,000 | 1,20,000 |

Outstanding balance as at 31st March 2021 and 31st March 2020 is Rs. Nil.

NOTE 20 - Dues to Micro and Small Enterprises as defined under the MSMED Act , 2006

There are no dues to Micro & Small Enterprises as defined under the MSMED Act, 2006

NOTE 21

The Company has Rs. Nil revenue from operations during the year, which may cast significant doubt on company continuing as going concern. Company has taken several steps to mitigate these adverse factors. The Company was in discussion with major sporting event companies; however this business deal could not be finalized. The company is now negotiating with other companies in the same field of iron and steel. Therefore, the management believes the company shall continue as going concern.

NOTE 22 : EXCEPTIONAL ITEM

The company has recognized impairment loss of Rs. 27,098,739 comprising of Rs. 17,500,000 for investment in preference shares and Rs. 9,598,739 for loans and advances during the year as M/s Heavy Metal & Tubes Ltd. the creditor thereof has been accepted with NCLT. Due to impairment and increase of substantial credit risk during the period, interest income thereon as per effective interest rate method is not recognized.

For Naresh J. Patel & Co.
Chartered Accountants
Firm Reg. No. 123227W

For, Heera Ispat Ltd.

Chintan N. Patel

(Partner)
M. No. 110741

Dinesh Rao **Prakash N. Shah**
Whole Time
Director Director & CFO
DIN: 06379029 DIN: 06376987

Atulaben J. Patel
Company Secretary

Place : Ahmedabad
Date : 30/06/2021

Place : Ahmedabad
Date : 30/06/2021

Form No. MGT-12

Polling Paper

[Pursuant to section 109(5) of the Companies Act, 2013 and rule 21(1) (c) of the Companies (Management and Administration) Rules, 2014]

Name of the Company: HEERA ISPAT LIMITED.

Registered Office:

BLOCK NO B-104 GANESH HOMES NEAR PRAMUKH BUNGLOWS BEHIND SAHAJANANG HOMES CHENPUR ROAD NEW RANIP AHMEDABAD Ahmedabad GJ 382470 IN

CIN: L27101GJ1992PLC018101

NO. OF AGM: 29th ANNUAL GENERAL MEETING

DATE: 29TH SEPTEMBER, 2021

DAY: WEDNESDAY

PLACE OF AGM: The President Hotel, Opp. Municipal Market, Off C.G. Road,
Navrangpura, Ahmedabad 380009 Gujarat India

TIME: 11.30 A.M.

BALLOT PAPER

| S No. | Particulars | Details |
|--------------|---|----------------|
| 1 | Name of the first named Shareholder (In Block Letters) | |
| 2 | Postal address | |
| 3 | Registered Folio No. / *Client ID No. (*applicable to investors holding shares in dematerialized form | |
| 4 | Class of Share | Equity |
| 5. | Number of Shares held as on date of AGM. | |

CIN:L27101GJ1992PLC018101

I hereby exercise my vote in respect of Resolutions enumerated below which are proposed to be passed as ORDINARY / SPECIAL RESOLUTION by recording my assent or dissent to the said resolutions in the following manner:

| No. | Item No. | No. of Shares held by me | I assent to the resolution | I dissent from the resolution |
|-----|---|--------------------------|----------------------------|-------------------------------|
| 1 | To adopt the Audited Financial Statements of the Company for the financial year ended on 31 st March, 2021 along with the reports of Directors and Auditors thereon. (ORDINARY RESOLUTION) | | | |
| 2. | TO Reappoint Mr. Prakash N. Shah (DIN 06376987) who retires by the rotation at this Annual General Meeting and eligible for reappointment (ORDINARY RESOLUTION) | | | |
| 3 | To Ratify the appointment of M/s. For Naresh J. Patel & Co. Chartered Accountants, (FRN: 123227W) as the statutory Auditors of the Company and to fix their remuneration. (ORDINARY RESOLUTION. | | | |

Place:

Date:

(Signature of Shareholder)

ATTENDANCE SHEET

I Shri / Smt.....of Being a member / proxy of HEERA ISPAT LIMITED do hereby record my presence at the 29th Annual General Meeting of the member of the Company to be held on WEDNESDAY the 29th September,2021 at 11:30 A.M. at The President Hotel, Opp. Municipal Market, Off C.G. Road, Navrangpura, Ahmedabad 380009 Gujarat India.

| | |
|------------------------|--|
| FOLOI NO / CLIENT I.D. | |
| D.P. ID. | |
| D.P. NAME. | |
| NAME OF SHAREHOLDER | |
| NUMBER OF SHARE HELD | |

Date:

Place:

(_____)
(Signature of Member/Proxy Attending the Meeting)

Form No. 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]

| | |
|------------------------|--|
| FOLOI NO / CLIENT I.D. | |
| D.P. ID. | |
| D.P. NAME. | |
| NAME OF SHAREHOLDER | |
| NUMBER OF SHARE HELD | |
| TYPE OF SHARES HELD | |
| REGISTERED ADDRESS. | |
| | |
| | |
| E.Mail Address. | |

I/We being a member of HEERA ISPAT LIMITED, holdingShares in the Company do hereby appointed

| Sr.No. | Name, Address and E.Mail ID. | Specimen Signature. |
|--------|------------------------------|---------------------|
| | | |
| | | |
| | | |

OR FAILING HIM.

| Sr.No. | Name, Address and E.Mail ID. | Specimen Signature. |
|--------|------------------------------|---------------------|
| | | |
| | | |
| | | |

OR FAILING HIM

| Sr.No. | Name, Address and E.Mail ID. | Specimen Signature. |
|--------|------------------------------|---------------------|
| | | |
| | | |
| | | |

to remain present at the 29Th Annual General Meeting of the Company to be held on WEDNESDAY the 29th September,2021 at 11.30 A.M. at The President Hotel, Opp. Municipal Market, Off C.G. Road, Navrangpura, Ahmedabad 380009 Gujarat India. or at any adjournment thereof and to vote for and on my behalf if poll is granted in respect of the Resolutions as are indicated below.

| Sr.No. | Description of Business/ Resolution | Type of Resolution. |
|--------|---|---------------------|
| (1) | Adoption of the Audited Annual Report/ Financial Statement for the financial Year ended on 31/03/2021 | Ordinary Resolution |
| (2) | TO Reappoint Mr. Prakash N. Shah (DIN 06376987) who retires by the rotation at this Annual General Meeting and eligible for reappointment (ORDINARY RESOLUTION) | Ordinary Resolution |
| (3) | To Ratify the appointment of M/s. For Naresh J. Patel & Co. Chartered Accountants, (FRN: 123227W) as the statutory Auditors of the Company and to fix their remuneration. | Ordinary Resolution |

Affix Rs.1/-
revenue
stamp

Date :

Place :

(Signature of the member appointing a proxy)

Proxy form duly stamped, signed and completed in all respect should be deposited 48 hours before the time fixed for the meeting at the registered office of the company.

Note:

1. This form of proxy in order to be effective should be duly stamped, completed and deposited at the Registered Office of the Company not less than 48 hours before the commencement of the meeting.
2. Those Members who have multiple folios with different joint holders may use copies of this Attendance Slip/Proxy.
3. Proxy need not be a member of the Company.

A person can act as Proxy on behalf of not more than fifty (50) members and holding in aggregate not more than ten percent of total share capital of the Company. Members holding more than ten percent of total share capital of the Company may appoint a single person as proxy, who shall not act as proxy for any other member.