



Date: 31/08/2018

To,
THE NATIONAL STOCK EXCHANGE OF INDIA LIMITED,
Exchange Plaza,
Plot no. C/1, G Block,
Bandra-Kurla Complex
Bandra (E), Mumbai-400051

Subject: - Submission of Annual Report for the financial year 2018-19 in accordance to the provisions of Regulation 34(1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015
Scrip Symbol: SAGARDEEP

Dear Sir,

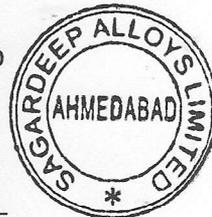
In compliance with Regulation 34(1)(a) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are sending herewith Annual Report of the Company along with Notice of AGM for the financial year 2018-19 which is being dispatched/sent to the shareholders by the permitted mode(s).

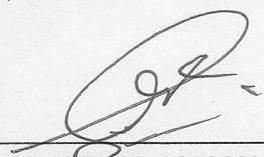
The Annual Report including AGM Notice is also available on the Company's website www.sdalloys.com.

Kindly acknowledge the receipt of the same.

Thanking You,

Yours Faithfully,
For, SAGARDEEP ALLOYS LIMITED




SATISHKUMAR ASAMAL MEHTA
Managing Director
(DIN: 01958984)

Encl: As stated

ANNUAL REPORT
2018-19

SAGARDEEP ALLOYS LIMITED



ABOUT THE COMPANY

SagarDeep Alloys Ltd. is the umbrella brand of Sagardeep Metals, established in 1972 and promoted by Mr. Asmal Mehta. With over 35 years of experience in the Indian market, SagarDeep Alloys is the most trusted and reputed suppliers of alloys consumables, Copper pipes and tubes, Copper flats, Copper coils, Copper rods, Copper anodes, Copper nuggets and Copper plates, Stainless Steel sheets / coils, rods, pipes and tubes, Seamless pipes, Sheets, as well as Copper & Brass scrap in India and all over the world.

Our astounding production unit (Yard) is well equipped with cutting edge technology and modern machinery for high quality products. The persistent efforts of our dedicated and skilled team of workers, technicians and professionals have contributed to the success and increase the popularity of our company.

Working with internationally renowned companies from USA, UK, Korea and Europe has enabled our company to exhibit the traits of international class quality, precise adherence to global standards and maintaining of a thorough constant update on latest developments in the stainless steel technology. This is given us an edge over our competitors from the stainless steel industry.

Our major focus is on the import of Stainless Steel Pipes, Seamless Pipes, Welded Pipes, Tubes, Sheets, Coils, Plates, Welding Electrodes and other similar products.

We put in our sincere and concentrated efforts towards building a sustainable environment. Development and Success for us always has a greener environment quotient to it and it is underlined by our completely recyclable Stainless Steel Products.

OUR MISSION & VISION

Mission:



To provide world class and high quality products to our consumers by incorporating efficient process and strict quality controls measures in our manufacturing operations and by far exceed the expectations of our consumers by providing excellent customer service.

Vision:



To effectively identify and meet the requirements of our consumer base and deliver high quality products in time. Our efforts are directed at remaining leader in the industry supported by cutting edge technology, modern equipments and high end processes and quality control measures.

OUR PRODUCT RANGE



COPPER PRODUCTS :

Copper Pipes & Tubes, Copper Flats, Copper Coils, Copper Rod, Copper Anodes / Nuggets, Copper Plates, Oxygen Free Copper.



BRASS PRODUCTS

Gilding Metal, Commercial Bronze, Red Brass, Low Brass, Cartridge Brass, Yellow Brass, Muntz Metal



CUPRO NICKEL PRODUCTS

Cupro Nickel Tubes, Cupro Nickel Pipe, Cupro Nickel Rods



STAINLESS STEEL PRODUCTS

Stainless Steel Scrap Grades, Stainless Steel Pipes, Stainless Steel Tubes, Stainless Steel Sheets / Plates, Stainless Steel Coils, Stainless Steel Bars

CHAIRMAN'S MESSAGE

Dear Shareholders,

We are happy to report a stable performance in FY 2018-19. We have undertaken several strategic initiatives to drive improvement across operating parameters and create a more efficient and sustainable business framework. Focusing on growth investments, while rationalizing cost structures. Growth has been broad-based across key segments, triggering the multiple demand drivers that underpin our multi-faceted business. The trend this year is once again looking positive.

The Technology driven solutions and re-engineering of its business and processes would have stress on current year's performances to achieve long term sustainable market penetration and market share improvements.

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

Warm regards,

SATISHKUMAR ASAMAL MEHTA
CHAIRMAN

CORPORATE INFORMATION

Board of Directors

Mr.SatishkumarAsamal Mehta
Chairman& Managing Director
(Din: 01958984)

Mr.JayeshkumarAshmal Mehta
Whole-Time Director
(Din: 02156140)

Mr.HemendraBhailal Patel
Independent Director
(Din: 01827562)

Mrs.Vinita Pankaj Maheshwari
Independent Director
(Din: 07187365)

Mr.JitendrakumarDhanjibhai Patel
Independent Director
(Din: 07369309)

Chief Financial Officer

Mr. KrishnakantSomani

Company Secretary & Compliance Officer

Mr. Nayan Pitroda
(appointed w.e.f 13thMay, 2019)

Registered Office

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

Statutory Auditors

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

Banker

Axis Bank Limited

Registrar & share Transfer Agent

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

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Note:

As measures of economic, copies of the Annual Report will not be distributed at Annual General Meeting. Shareholders are requested to kindly bring their notice to the meeting.

NOTICE

NOTICE is hereby given that the 12th (Twelfth) Annual General Meeting of the Shareholders of Sagardeep Alloys Limited will be held on Wednesday, 25th September, 2019 at the registered office situated at Plot No. 2070, Rajnagar Patiya, SantejKhatrajRoad, SantejKalol, Gandhinagar 382721 at 11.30 a.m. to transact the following businesses:

ORDINARY BUSINESS:

1. To receive, consider and adopt
 - a) the audited Standalone Financial Statement of the Company for the financial year ended March 31, 2019 and the reports of the Board of Directors and Auditors thereon; and
 - b) the audited Consolidated Financial Statement of the Company for the financial year ended March 31, 2019 and the reports of the Auditors thereon.
2. To appoint a Director in place of Mr. Satishkumar Asamal Mehta (DIN: 01958984), Managing Director who retires by rotation and being eligible, offers himself for re appointment.

Regd Office:

Plot No. 2070 , Rajnagar Patiya ,
SantejKhatrajRoad ,
SantejKalol,
Gandhinagar 382721

Date: 12/08/2019

Place: Santej

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

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

NOTES

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ALSO ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF AND PROXY NEED NOT BE A MEMBER OF THE COMPANY.

Proxies, in order to be effective, must be received by the Company, duly filled, stamped and signed, at its Registered Office not less than 48 hours before the Meeting.

Proxies submitted on behalf of limited companies, societies, etc., must be supported by appropriate resolutions/authority letter, as applicable, issued on behalf of the nominating organization.

A person can act as proxy on behalf of Members not exceeding fifty (50) and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. In case a proxy is proposed to be appointed by a Member holding more than 10% of the total share capital of the Company carrying voting rights, then such proxy shall not act as a proxy for any other person or Member.

2. Members/Proxies/Authorized representatives should bring the duly filled Attendance Slip enclosed herewith along with their copy of the Annual Report to attend the Meeting.
3. Corporate Members intending to send their authorized representatives to attend the AGM are requested to send duly certified copy of their Board Resolution authorizing their representatives to attend and vote at the AGM.
4. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.

5. Relevant documents referred to in the accompanying Notice and the Statement, are open for inspection by the members at the Registered Office of the Company on all working days, except Saturdays and Sundays during business hours up to the date of the Meeting.

6. The Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Companies Act, 2013, the Register of Contracts or Arrangements in which the Directors are interested under Section 189 of the Companies Act, 2013 will be available for inspection at the AGM.

7. Profile of the Directors seeking appointment / re-appointment, as required in terms of Regulation 36 of the SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015 is annexed to this Notice.

8. Members desirous of getting any information about the Accounts of the Company are requested to write to the Company at least seven days in advance of the Meeting, so that the information can be kept ready at the Meeting.

The Securities and Exchange Board of India (SEBI) has mandated the submission of the Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participant(s). Members holding shares in physical form are required to submit their PAN details to the Registrar and Share Transfer Agent i.e. Link Intime India Private Ltd C-101, 247

Park, L.B.S. Marg, Vikhroli (West), Mumbai – 400 083, for assistance in this regard.

9. Members holding shares in physical form are requested to consider converting their holding to dematerialized form to eliminate all risks associated with physical shares and for ease in portfolio management. Members can contact Link Intime India Private Ltd., C-101, 247 Park, L.B.S. Marg, Vikhroli (West), Mumbai – 400 083 for assistance in this regard.

10. The Annual Report of the year 2018-19 of the Company circulated to the Members of the Company will be made available on the Company's website at www.sdalloys.com and also on the website of the respective Stock Exchanges at www.nseindia.com and the physical copies of the documents will also be available at the Company's registered office for inspection during normal business hours and only on working days. Members who have not registered their e-mail addresses so far as requested to receive all communication including Annual Report, Notices, Circulars etc. from the Company electronically, may also registered their e-mail addresses.

11. Equity Shares of the Company are available for dematerialization, as the Company has entered into an agreement with both National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) for dematerialization services of its Equity Shares. Those Shareholders who wish to hold shares in electronic form may approach their Depository Participant. ISIN No. of the Company's Equity Share is INE976T01013.

12. Pursuant to the provisions of Section 91 of the Companies Act, 2013 the Register

of members and share transfer books of the company will remain closed from Wednesday, 18th September, 2019 to Wednesday, 25th September, 2019 (both days inclusive).

13. Any recipient of the Notice, who has no voting rights as on the Cut-off date i.e. 18th September, 2019 shall treat this Notice as intimation only.

VOTING THROUGH ELECTRONIC MEANS:

In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, along with Regulation 44 of Securities And Exchange Board Of India (Listing Obligations And Disclosure Requirements) Regulation 2015, the company is pleased to provide members facility to exercise their right to vote at 12th Annual general Meeting by electronic means and the business may be transacted through e-voting services. The members may cast their votes using an electronic voting system through remote e voting services provided by CDSL (Central Depository Services Limited) from a place other than venue of the meeting.

1. The Members whose names appear in the Register of Members / List of Beneficial Owners maintained by the Depositories as on 18th September, 2019 (cut-off date) are entitled to vote on the resolutions set forth in this Notice.
2. A person who has acquired the shares and has become a member of the Company after the dispatch of the Notice of the AGM and prior to the Cut-off date i.e. 18th September, 2019 shall be entitled to exercise his/her vote either electronically i.e. remote e-voting or through the Polling Paper at the AGM by following the procedure mentioned in this part.
3. The e-voting facility is available at the link www.evotingindia.com.

4. The remote e-voting begins on 22th September, 2019 (10:00 a.m.) and will end on 24th September, 2019 (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 i.e. 18th September, 2019, may cast their vote electronically. The members will not be able to cast their vote electronically beyond the date and time mentioned above. The e-voting module shall be disabled by CDSL for voting thereafter.
5. The Company has appointed Mr. Devesh Khandelwal, Proprietor of Khandelwal Devesh & Associates, Practicing Company Secretary (Membership No. FCS: 6897; COP No: 4202, to act as the Scrutinizer for conducting the remote e-voting process in a fair and transparent manner.
6. The voting rights of Members shall be in proportion to the shares held by them in the paid-up equity share capital of the Company as on the cut-off date i.e. 18th August, 2019.
7. Members can opt for only one mode of voting, i.e., either by physical poll or remote e-voting. In case Members cast their votes through both the modes, voting done by remote e-voting shall prevail and votes cast through physical poll will be treated as invalid.
8. The members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.
9. Members who do not have access to remote e-voting facility have been additionally provided the facility of voting through Ballot paper. The facility for voting through ballot paper shall be made available at the AGM and the members attending the meeting who have not cast their vote by remote e-voting shall be

able to exercise their right at the meeting through ballot paper.

10. Once the vote on a resolution is cast by the member, he/she shall not be allowed to change it subsequently or cast the vote again.

The Procedure And Instructions For Remote E-Voting Are As Under:-

1. The shareholders should log on to the e-voting website www.evotingindia.com.
2. Click on Shareholders.
3. Now Enter your User ID

For CDSL: 16 digits beneficiary ID,
For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
Members holding shares in Physical Form should enter Folio Number registered with the Company.

4. Next enter the Image Verification as displayed and Click on Login.
5. If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
6. If you are a first-time user follow the steps given below:

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

	indicated in the PAN field.
<p>Dividend Bank Details</p> <p>OR Date of Birth (DOB)</p>	<ul style="list-style-type: none"> Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field.

7. After entering these details appropriately, click on “SUBMIT” tab.
8. Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
9. For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
10. Click on the EVSN for the relevant <Company Name> on which you choose to vote.
11. 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.

12. Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
13. 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.
14. Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
15. You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
16. If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
17. Shareholders can also use Mobile app - “m - Voting” for e voting. m - Voting app is available on Apple, Android and Windows based Mobile. Shareholders may log in to m - Voting using their e voting credentials to vote for the company resolution(s).
18. Note for Non – Individual Shareholders and Custodians.
 - Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporate.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.

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

19. In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at www.evotingindia.com, under help

section or write an email to helpdesk.evoting@cdslindia.com.

The Scrutinizer shall immediately after the conclusion of voting at the General Meeting, first count the votes cast at the meeting, thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and make not later than three days of conclusion of the Meeting , a consolidated Scrutinizer’s Report of the total votes cast in favour or against if any, to the Chairman or a person authorized by him in writing, who shall countersign the same

The results declared along with the Scrutinizer's Report shall be placed on the Company's website www.sdalloys.com and shall also be communicated to Stock Exchanges where the shares of the Company are listed in pursuant to Regulation 44 of the SEBI (Listing Obligation And Disclosure Requirements) Regulation, 2015.

Regd Office:

Plot No. 2070 , Rajnagar Patiya ,
SantejKhatrajRoad ,
SantejKalol,
Gandhinagar 382721

Date: 12/08/2019

Place:Santej

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

Sd/-

Satishkumar Mehta

Chairman & Managing Director

(DIN: 01958984)

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

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

Name of Director	SATISHKUMAR ASAMAL MEHTA
DIN	01958984
Date of Birth	18/03/1977
Date of Appointment	13/02/2007
Relationship Between Directors <i>inter se</i>	Brother of Jayesh A Mehta
Expertise in Specific functional area	Administrative, Accounts and Finance
Qualification	B.Com
Other Board Membership*	Nil
Committee Membership in other public companies	Nil
Number of Shares held in the Company	15,78,550 equity shares

*Pvt. Companies excluded

Regd Office:

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

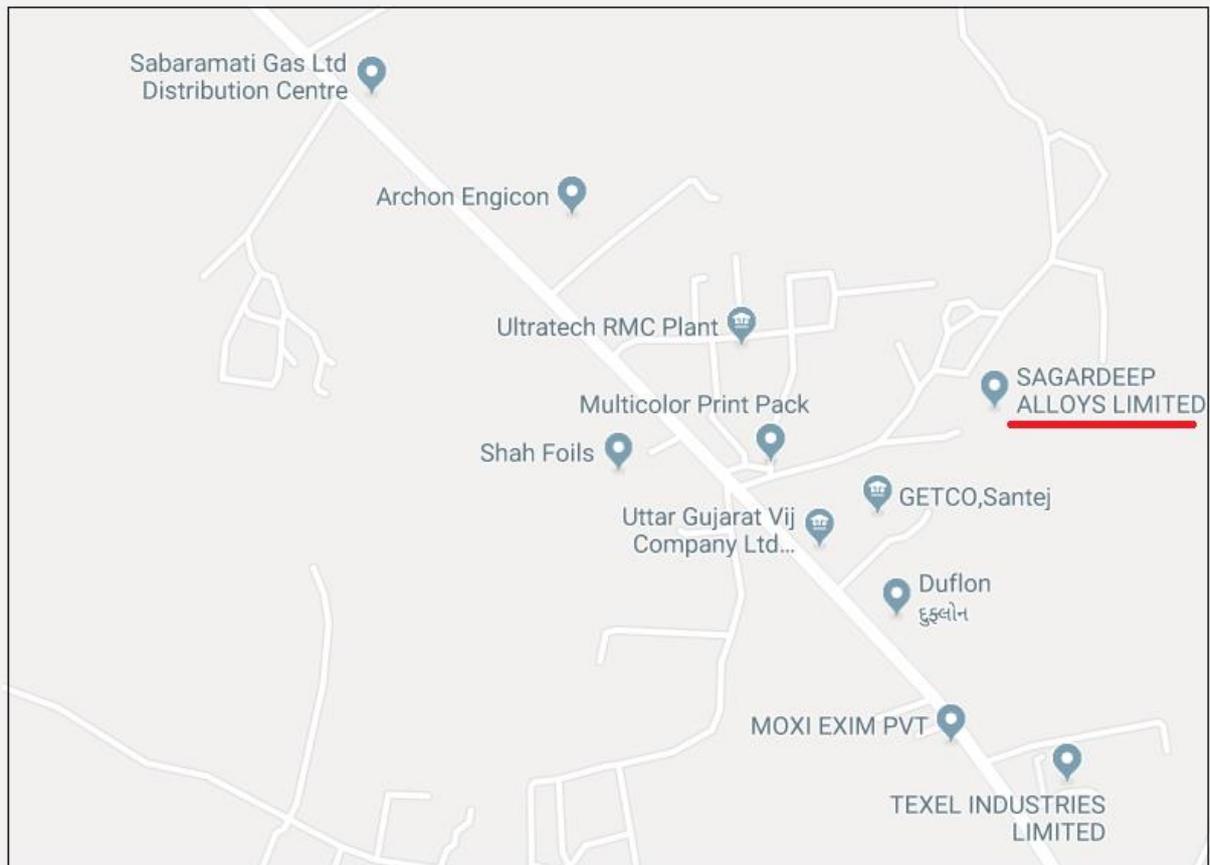
Date: 12/08/2019

Place: Santej (Kalol)

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

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

ROUTE MAP TO THE AGM VENUE



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

DIRECTOR'S REPORT

Dear Members,

Your Directors take pleasure in presenting the 12th Annual Report along with Audited Financial Statements of your Company for the financial year ended 31st March, 2019.

1. Financial Results

During the year under review, your Company has achieved a total net sale of Rs.5108.87 lakhs and achieved Net Profit after Tax (NP) of Rs.172.89lakhs. There is notable increase in profit after tax during the current year in comparison to that of previous year. Your directors are optimistic about the performance of the Company in the coming years. The financial highlights for the year 2018-19 are as under:

(Rs. in Lakhs)

Particulars for the year ended	March 31, 2019	March 31, 2018
Net revenue from Operations (Sales)	5108.87	6240.59
Profit Before Depreciation and Tax	250.92	117.73
Less: Depreciation	40.61	39.56
Profit Before Tax	210.31	78.17
Less: Tax Expense	60.92	23.34
Profit After Tax	172.89	54.53
EPS (Basic)	1.52	0.48
EPS (Diluted)	1.52	0.48

2. Dividend

Your Director feel that it is prudent to plough back the profits of the Company for future growth of the Company and therefore do not recommend any dividend for the year ended March 31, 2019.

3. Transfer of Unclaimed Dividend to Investor Education and Protection Fund

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

4. Change in the nature of business, if any-

There is no change in the nature of business carried out by the Company in the Year 2018-2019.

5. Reserves

The Company has not transferred any amount to the reserves during the current financial year.

6. Subsidiary, Joint Ventures and Associate Companies

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

7. Consolidated Financial Statement

The Financial Statement of the Company for the Financial year 2018-19 are prepared in compliance with the applicable provisions of the Act, Accounting Standards and as prescribed by Securities and Exchange Board of India (SEBI) under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Consolidated Financial Statement has been prepared on the basis of the audited financial statement of the Company as approved by their respective Board of Directors. Pursuant to the provisions of Section 136 of the Act, the Financial Statements of the Company, the Consolidated

Financial Statements along with all relevant documents and Auditors report thereon form part of this Annual Report.

8. Public Deposit

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

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

During the year, the Company has not given any guarantee or provided security in connection with the loan to any other body corporate or person or made any investments however the Company has provided loans to persons/body corporates and the particulars of such loans, falling under the provisions of Section 186 of the Companies Act, 2013 are provided in the notes to financial statements of the Company

10. Extract of the annual return

The extract of the Annual Return in Form MGT-9 pursuant to the provisions of Section 92 read with Rule 12 of the Companies (Management and Administration) Rules, 2014 is furnished in **Annexure I** and is attached to the report.

11. Directors & Key Management Personnel

I. Composition of Board & Board Meetings

The Board of Directors of the Company has an optimum combination of Executive, Non-Executive and Independent Directors. As on the date of this report, the Board comprises of 5(Five) Directors, out of which 2 are Executive Directors and 3 are Non-Executive Independent Directors that includes one Woman Director. The Chairman of the Board is an executive Director.

The Board of Directors duly met 5 times on 28/05/2018, 30/08/2018, 01/11/2018, 28/02/2019 and 30/03/2019 during the year. The Composition, category and attendance of each Director at the Board and Annual General Meeting of each Director in various companies is as follows: -

Name of Director, Designation and Category	No of Board Meetings held during the year	No of Board Meetings attended during the year	Attendance at the AGM
Mr. Satishkumar A Mehta Chairman & Managing Director Promoter	5	5	Yes
Mr. Jayeshkumar A Mehta Whole Time Director Promoter	5	5	Yes
Mr. Hemendra B Patel Non-Executive Director Independent	5	4	Yes
Mrs. Vinita P Maheshwari Non-Executive Director Independent	5	5	Yes
Mr. Jitendra D Patel Non-Executive Director Independent	5	5	Yes

II. INDUCTIONS

The following appointments were made

During the year no inductions done however, Mr. Nayan P. Pitroda, a member of Institute of Company Secretaries of India was appointed as the Company Secretary and Compliance Officer of the Company effective from 13th May, 2019.

III. CESSATIONS:

During the year no cessations was done however Ms. Barkha Deshmukh resigned as a company secretary and compliance officer of the company effective from 26th April, 2019.

IV. Retirement by Rotation

In accordance with the provisions of the Companies Act 2013 and Companies Articles of Association, Mr. Satishkumar A Mehta (DIN-01958984) retires by rotation at the ensuing Annual General Meeting and being eligible offers himself for re-appointment. The Board recommends his re-appointment. Necessary resolution for his re-appointment is placed before the shareholder for approval.

V. Familiarisation Programme of Independent Directors

The Independent Directors have been updated with their roles, rights and responsibilities in the Company by specifying them in their appointment letter along with necessary documents, reports and internal policies to enable them to familiarize with the Company's procedures and practices. The Company endeavors, through presentations at regular intervals, to familiarize the Independent Directors with the strategy, operations and functioning of the Company and also with changes in the regulatory environment having a significant impact on the operations of the Company and the industry as a whole. The Independent Directors also meet with senior management team of the Company in informal gatherings. During the year 2018-19, the Company has conducted 4 programs for familiarizing the Directors for a total duration of 6 hours.

VI. Profile of Directors seeking appointment / reappointment

As required under regulation 36(3) of SEBI (LODR), 2015, particulars of the Directors

retiring and seeking reappointment at the ensuing Annual General Meeting is annexed to the notice convening 12th Annual General Meeting.

VII. Key Managerial Personnel

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

- a) Mr. Satishkumar A. Mehta, Chairman & Managing Director
- b) Mr. Jayeshkumar A. Mehta, Whole Time Director
- c) Mr. Krishnakant P. Somani, Chief Financial Officer
- d) Mr. Nayan P. Pitroda, Company Secretary and Compliance Officer.

VIII. Declaration from Independent Director

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

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

12. Postal ballot

During the year, pursuant to Section 110 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014 (including any statutory amendment(s) or re-enactment(s) made thereunder), your Company passed the following resolution through postal ballot as per the details below:

Date of Postal ballot Notice:01/11/2018
Date of declaration of result:06/12/2018
Voting period:05/11/2018 to 04/12/2018
Date of approval: 04/12/2018

Mr. Satishkumar A Mehta Executive Director	4	4
Member		

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

Four Audit Committee meetings were held during the year 2018-19 at the Registered Office of the Company on 28/05/2018, 30/08/2018, 01/11/2018 and 28/02/2019. The Company Secretary acts as Secretary to the Audit Committee and no personnel has been denied access to the Audit Committee.

14. Nomination and Remuneration Committee

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

Name Position	Category & Position	Number of meetings held	Number of meetings attended
Mr. Jitendrakumar Patel Non Executive Independent Director		1	1

Name of resolution	Type of resolution	No. of votes polled	Votes cast in favor		Votes cast against	
			No of Votes	%	No of Votes	%
Migration of Listing/trading of Equity Shares of the Company from NSE SME Platform	Special	9109600	9109600	80.11	100	0.00

13. Audit Committee

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

Name Position	Category & Position	Number of meetings held	Number of meetings attended
Mr. Jitendrakumar Patel Non Executive Independent Director		4	4
Chairman			
Mrs. Vinita Maheshwari Non Executive Independent Director		4	4
Member			

Chairman		
Mrs. Vinita Maheshwari Non Executive Independent Director	1	1
Member		
Mr. Hemendra B Patel Non Executive Independent Director	1	1
Member		

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

One meeting was held during the year 2018-19 at the Registered Office of the Company on 28/05/2018.

15. Stakeholders Relationship Committee

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

Name & Position	Category	Number of meetings held	Number of meetings attended
Mrs. Vinita Maheshwari Non Executive Independent Director	P	1	1
Chairman			

Mr. Hemendrabhai Patel Non Executive Independent Director	1	1
Member		
Mr. Satishkumar A Mehta Managing Director	1	1
Member		

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

One meeting was held during the year 2018-19 at the Registered Office of the Company on 28/05/2018.

16. Compliance Officer

The Compliance officer of the Company is Mr. Nayan P. Pitroda, who is also designated as Company Secretary of the Company.

17. Statement On Formal Annual Evaluation Of Board

Nomination and Remuneration Committee annually evaluates the performance of individual Directors, Committees, and of the Board as a whole in accordance with the formal system adopted by it. Further, the Board also regularly in their meetings held for various purposes evaluates the performance of all the Directors, committees and the Board as a whole. The Board considers the

recommendation made by Nomination and Remuneration Committee in regard to the evaluation of board members and also tries to discharge its duties more effectively. Each Board member's contribution, their participation was evaluated and the domain knowledge they bring. They also evaluated the manner in which the information flows between the Board and the Management and the manner in which the board papers and other documents are prepared and furnished.

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

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

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

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

20. Auditors

1. Statutory Auditors

M/s. Piyush J Shah & Co., Chartered Accountants, the Statutory Auditors of the Company, were reappointed at the 09th Annual General Meeting held on 30th September 2016 to hold office from the conclusion of Ninth (9th) Annual General Meeting (AGM) till the conclusion of 14th Annual General Meeting to be held in the year 2021 (subject to ratification of their appointment at every AGM).

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

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

2. Secretarial Auditor

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

There are no qualifications, reservations or adverse remarks made by M/s. Khandelwal Devesh & Associates, Company Secretaries, Secretarial Auditor of the Company, in their report.

21. Personnel

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

22. Management's Discussion and Analysis Report

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

23. Corporate Social Responsibility (CSR)

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

24. Migration to Main Board

The Company has been shifted to the main board of NSE from NSE Emerge w.e.f. 25/01/2019.

25. Conservation of energy, technology absorption and foreign exchange earnings and outgo

A. CONSERVATION OF ENERGY:

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

B. TECHNOLOGY ABSORPTION:

- i. the efforts made towards technology absorption: **None**
- ii. the benefits derived like product improvement, cost reduction, product development or import substitution: **None**
- iii. in case of imported technology (imported during the last three years reckoned from the beginning of the financial year)-
 - a) the details of technology imported :**None**

- b) the year of import :**N.A.**
- c) whether the technology been fully absorbed : **N.A.**
- d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof : **N.A.**
- e) the expenditure incurred on Research and Development : **Nil**

C. Foreign exchange Earnings & Outgo

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

24. Particulars of contracts or arrangements with related parties:

The Company has no material significant transactions with its related parties which may have potential conflict with the interest of the Company at large.

25. Statement regarding the development and implementation of Risk Management Policy

The Company has not developed and implemented any risk management policy as the risk threatening the business activity carried out by the Company during the year are minimal.

26. Prevention of Sexual Harassment at Workplace

As per the requirement of The Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013 and rules made thereunder, your Company has constituted Internal Complaints Committee (ICC) which is responsible for redressal of complaints related to sexual harassment.

Your Directors declared and confirm that, during the year under review, there is no case filed under Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

27. Vigil Mechanism:

The Company believes in the conduct of its affairs in a fair and transparent manner to

foster professionalism, honesty, integrity and ethical behavior in its employees & stakeholders. The Company has adopted a Whistle Blower Policy as a part of vigil mechanism.

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

28. Adequacy of Internal Financial Control

The Company has designed and implemented a process driven framework for Internal Financial Controls ('IFC') within the meaning of the explanation to Section 134(5)(e) of the Act. For the year ended March 31, 2019, the Board is of the opinion that the Company has sound IFC commensurate with the nature and size of its business operations and operating effectively and no material weaknesses exist. The Company has a process in place to continuously monitor the same and identify gaps, if any, and implement new and / or improved controls wherever the effect of such gaps would have a material effect on the Company's operations.

During the year, no reportable material weakness was observed.

29. Directors' Responsibility Statement

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

(a) In the preparation of the annual accounts for the financial year ended March 31, 2018, the applicable accounting standards have been followed along with proper explanation relating to material departures.

(b) The directors have selected such accounting policies and applied them consistently and made judgments and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the

financial year and of the profit and loss of the Company for that period under review.

(c) The directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities.

(d) The directors have prepared the annual accounts on a going concern basis.

(e) The directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.

(f) The directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

30. Listing

The equity shares of the Company are listed on of NSE and the Company has paid the annual listing fees for the year 2018-19.

31. Corporate Governance

Your Company has been complying with the principals of good Corporate Governance over the years and is committed to the highest standards of compliance. Pursuant to regulation 15(2) of the SEBI (LODR) Regulations 2015, the compliance with the corporate governance provisions as specified in regulations 17 to 27 and clauses (b) to (i) of Regulation 46 (2) and para C, D and E of schedule V shall not apply to the listed entity which has listed its specified securities on the SME Exchange.

However, w.e.f. 25/01/2019 Company's shares are listed on the Mainboard i.e. NSE and therefore the Provisions and Regulations relating to Corporate Governance were effective from said date. The Report on

Corporate Governance is attached as **Annexure V.**

32. Secretarial Standards:

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

33. Acknowledgement:

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

Date: 12/08/2019

Place: Santej (Kalol)

For and on behalf of board of directors

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

Annexure- "I"

FORM NO. MGT 9

EXTRACT OF ANNUAL RETURN OF SAGARDEEP ALLOYS LIMITED

As on financial year ended on 31.03.2019

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

I. REGISTRATION & OTHER DETAILS:

1	CIN	U29253GJ2007PLC050007
2	Registration Date	13/02/2007
3	Name of the Company	Sagardeep Alloys Limited
4	Category/Sub-category of the Company	Company Limited by shares Non-Government Company
5	Address of the Registered office & contact details	Plot no. 2070, Rajnagar Patia, Santej ,Khatraj Road, SantejKalol, Gandhinagar -382721
6	Whether listed company	Yes
7	Name, Address & contact details of the Registrar & Transfer Agent, if any.	Linkintime Private limited C-101, 247 Park, L.B.S. Marg, Vikhroli (West), Mumbai – 400 083

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

S. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1	Manufacture of Basic precious and Non ferrous- alloys	2720	92.89%
2	Whole sale of Metals and Metal Ores	5142	07.11%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sr. No	Name & Address of the Company	CIN	Holding/Subsidiary/ Associate	% of Shares held	Applicable Section under Companies Act, 2013
1	Sagardeep Engineers Private Ltd	U29100GJ2011PTC063479	Wholly Owned Subsidiary	100	2(87) (ii)

IV. SHARE HOLDING PATTERN

A) Category wise Shareholding-

Category of Shareholders	Shareholding at the beginning of the year [As on 01-04-2018]				Shareholding at the end of the year [As on 31-March-2019]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
Shareholding of Promoter and Promoter Group									
Indian									
Individuals / Hindu Undivided Family	7738100	0	7738100	68.0476	7738100	0	7738100	68.0476	0.0000
Central Government / State Government(s)	0	0	0	0.0000	0	0	0	0.0000	0.0000
Financial Institutions / Banks	0	0	0	0.0000	0	0	0	0.0000	0.0000
Any Other (Specify)									
Bodies Corporate	633500	0	633500	5.5709	633500	0	633500	5.5709	0.0000
Sub Total (A)(1)	8371600	0	8371600	73.6185	8371600	0	8371600	73.6185	0.0000
Foreign									
Individuals (Non-Resident Individuals / Foreign Individuals)	0	0	0	0.0000	0	0	0	0.0000	0.0000
Government	0	0	0	0.0000	0	0	0	0.0000	0.0000
Institutions	0	0	0	0.0000	0	0	0	0.0000	0.0000
Foreign Portfolio Investor	0	0	0	0.0000	0	0	0	0.0000	0.0000
Any Other (Specify)									
Sub Total	0	0	0	0.0000	0	0	0	0.0000	0.0000

(A)(2)									
Total Shareholding of Promoter and Promoter Group(A)=(A)(1)+(A)(2)	8371600	0	8371600	73.6185	8371600	0	8371600	73.6185	0.0000
Public Shareholding									
Institutions									
Mutual Funds / UTI	0	0	0	0.0000	0	0	0	0.0000	0.0000
Venture Capital Funds	0	0	0	0.0000	0	0	0	0.0000	0.0000
Alternate Investment Funds	0	0	0	0.0000	0	0	0	0.0000	0.0000
Foreign Venture Capital Investors	0	0	0	0.0000	0	0	0	0.0000	0.0000
Foreign Portfolio Investor	0	0	0	0.0000	0	0	0	0.0000	0.0000
Financial Institutions / Banks	0	0	0	0.0000	0	0	0	0.0000	0.0000
Insurance Companies	0	0	0	0.0000	0	0	0	0.0000	0.0000
Provident Funds/ Pension Funds	0	0	0	0.0000	0	0	0	0.0000	0.0000
Any Other (Specify)									
Sub Total (B)(1)	0	0	0	0.0000	0	0	0	0.0000	0.0000
Central Government/ State Government(s) / President of India									
Sub Total (B)(2)	0	0	0	0.0000	0	0	0	0.0000	0.0000
Non-Institutions									
Individuals									
Individual shareholders holding nominal share	312000	0	312000	2.7437	411817	0	411817	3.6215	0.8778

capital upto Rs. 1 lakh.									
Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	2502000	0	2502000	22.0022	1980335	0	1980335	17.4147	4.5875
NBFCs registered with RBI	0	0	0	0.0000	15000	0	15000	0.1319	0.1319
Overseas Depositories(holding DRs) (balancing figure)	0	0	0	0.0000	0	0	0	0.0000	0.0000
Any Other (Specify)									
Hindu Undivided Family	60000	0	60000	0.5276	55283	0	55283	0.4861	0.0415
Non Resident Indians (Non Repat)	0	0	0	0.0000	14	0	14	'0.0001	'0.000
Non Resident Indians (Repat)	0	0	0	0.0000	2976	0	2976	'0.0262	'0.026
Clearing Member	0	0	0	0.0000	335843	0	335843	'2.9533	'2.953
Bodies Corporate	126000	0	126000	1.1080	198732	0	198732	'1.7476	'0.639
Sub Total (B)(3)	3000000	0	3000000	26.3815	3000000	0	3000000	'26.3815	'0.000
Total Public Shareholding(B)=(B)(1)+(B)(2)+(B)(3)	3000000	0	3000000	26.3815	3000000	0	3000000	26.3815	0.0000
Total (A)+(B)	11371600	0	11371600	100.000	11371600	0	11371600	100.000	0.0000
Non Promoter - Non Public									
Custodian/DR Holder	0	0	0	'0.0000	0	0	0	0.0000	0.0000
Employee Benefit Trust (under SEBI (Share based Employee Benefit) Regulations, 2014)	0	0	0	'0.0000	0	0	0	0.0000	0.0000

Total (A)+(B)+(C)	11371600	0	11371600	100.000	11371600	0	11371600	100.000	0.0000
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B) Shareholding of Promoter-

Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
	NO.OF SHARES HELD	% of total Shares of the company	%of Shares Pledged /encumbered to total shares	NO.OF SHARES HELD	% of total Shares of the company	%of Shares Pledged/ encumbered to total shares	
JAYESHKUMAR ASHMAL MEHTA	1751500	15.4024	0.0000	1751500	15.4024	0.0000	0.0000
SATISH KUMAR ASAMAL MEHTA	1578550	13.8815	0.0000	1578550	13.8815	0.0000	0.0000
ASAMAL SIREMAL MEHTA	1466950	12.9001	0.0000	1466950	12.9001	0.0000	0.0000
UGAMDEVI ASHMAL MEHTA	1040600	9.1509	0.0000	1040600	9.1509	0.0000	0.0000
SAGARDEEP ENGINEERS PRIVATE LIMITED	633500	5.5709	0.0000	633500	5.5709	0.0000	0.0000
AASHMALJI SIREMALJI MEHTA (HUF)	549000	4.8278	0.0000	549000	4.8278	0.0000	0.0000
SANGITA SATISH KUMAR MEHTA	329500	2.8976	0.0000	329500	2.8976	0.0000	0.0000
REKHA JAYESHKUMAR MEHTA	287000	2.5238	0.0000	287000	2.5238	0.0000	0.0000
SATISH A MEHTA (HUF)	219000	1.9259	0.0000	219000	1.9259	0.0000	0.0000
JAYESH ASHMALJI MEHTA (HUF)	207000	1.8203	0.0000	207000	1.8203	0.0000	0.0000
HARISH AASHMLJI MEHTA	128000	1.1256	0.0000	128000	1.1256	0.0000	0.0000
RAMESH ASMALJI MEHTA	102000	0.8970	0.0000	102000	0.8970	0.0000	0.0000
RINIKA HARISHKUMAR MEHTA	79000	0.6947	0.0000	79000	0.6947	0.0000	0.0000
Total	8371600	73.6185	0.0000	8371600	73.6185	0.0000	0.0000

C) Change in Promoter's Shareholding (please specify, if there is no change)

Particulars	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	8371600	73.62	8371600	73.62
Transfer during the year	No change			
At the end of the year	8371600	73.62	8371600	73.62

**D) Shareholding Pattern of top ten Shareholders:
(Other than Directors, Promoters and Holders of GDRs and ADRs):**

Sr No.	Name & Type of Transaction	Shareholding at the beginning of the year – 2018		Transactions during the year		Cumulative Shareholding at the end of the year - 2019	
		NO.OF SHARES HELD	% OF TOTAL SHARES OF THE COMPANY	DATE OF TRANSACTION	NO. OF SHARES	NO OF SHARES HELD	% OF TOTAL SHARES OF THE COMPANY
1	ASHOK DEVJIBHAI PARMAR	660000	5.8039			660000	5.8039
	Transfer			01 Mar 2019	(60000)	600000	5.2763
	Transfer			08 Mar 2019	(12125)	587875	5.1697
	Transfer			29 Mar 2019	(64990)	522885	4.5982
	AT THE END OF THE YEAR					522885	4.5982
2	INANI SURESHKUMAR R	222000	1.9522			222000	1.9522
	Transfer			02 Nov 2018	(12000)	210000	1.8467
	Transfer			22 Feb 2019	(25000)	185000	1.6269
	AT THE END OF THE YEAR					185000	1.6269
3	SAFAL CAPITAL (INDIA) LIMITED	0	0.0000			0	0.0000
	Transfer			01 Feb 2019	1000	1000	0.0088
	Transfer			01 Mar 2019	100	1100	0.0097
	Transfer			22 Mar 2019	64095	65195	0.5733
	Transfer			29 Mar 2019	75933	141128	1.2411
	AT THE END OF THE YEAR					141128	1.2411
4	NILESH JASHVANTLAL PATEL	132000	1.1608			132000	1.1608
	AT THE END OF THE YEAR					132000	1.1608
5	JASHWANTLAL	132000	1.1608			132000	1.1608

	MANILAL PATEL						
	Transfer			11 Jan 2019	(24000)	108000	0.9497
	AT THE END OF THE YEAR					108000	0.9497
6	MUKESH S INANI	78000	0.6859			78000	0.6859
	AT THE END OF THE YEAR					78000	0.6859
7	SIMA MUKESH INANI	72000	0.6332			72000	0.6332
	AT THE END OF THE YEAR					72000	0.6332
8	PARKER DERIVATIVES INDIA	0	0.0000			0	0.0000
	Transfer			29 Mar 2019	60000	60000	0.5276
	AT THE END OF THE YEAR					60000	0.5276
9	INANI LADULAL MADANLAL	60000	0.5276			60000	0.5276
	AT THE END OF THE YEAR					60000	0.5276
10	KAVITA LADULAL INANI	60000	0.5276			60000	0.5276
	AT THE END OF THE YEAR					60000	0.5276
11	SIDDHI SURESHKUMAR SHAH	312000	2.7437			312000	2.7437
	Transfer			04 Jan 2019	(24000)	288000	2.5326
	Transfer			11 Jan 2019	(18000)	270000	2.3743
	Transfer			01 Feb 2019	(15000)	255000	2.2424
	Transfer			08 Feb 2019	(36460)	218540	1.9218
	Transfer			15 Feb 2019	(172000)	46540	0.4093
	AT THE END OF THE YEAR					46540	0.4093
12	INNOVATE SECURITIES PVT. LTD.	126000	1.1080			126000	1.1080
	Transfer			22 Jun 2018	6000	132000	1.1608
	Transfer			05 Oct 2018	(42000)	90000	0.7914
	Transfer			12 Oct 2018	(54000)	36000	0.3166
	Transfer			19 Oct 2018	6000	42000	0.3693
	Transfer			26 Oct 2018	12000	54000	0.4749
	Transfer			02 Nov 2018	6000	60000	0.5276
	Transfer			09 Nov 2018	(6000)	54000	0.4749
	Transfer			16 Nov 2018	(6000)	48000	0.4221
	Transfer			07 Dec 2018	(12000)	36000	0.3166
	Transfer			25 Jan 2019	6000	42000	0.3693
	Transfer			01 Feb 2019	(6000)	36000	0.3166
	Transfer			22 Feb 2019	(10800)	25200	0.2216
	Transfer			22 Mar 2019	(25200)	0	0.0000
	AT THE END OF THE YEAR					0	0.0000

YEAR							
13	SHYAMSUNDER KRISHNAGOPAL KALYA	72000	0.6332			72000	0.6332
	Transfer			30 Nov 2018	(6000)	66000	0.5804
	Transfer			07 Dec 2018	(30000)	36000	0.3166
	Transfer			14 Dec 2018	(18000)	18000	0.1583
	Transfer			21 Dec 2018	(6000)	12000	0.1055
	Transfer			28 Dec 2018	(12000)	0	0.0000
	AT THE END OF THE YEAR					0	0.0000

Note: 1. Paid up Share Capital of the Company (Face Value Rs. 10.00) at the end of the year is 11371600 Shares.

2. The details of holding has been clubbed based on PAN.

3. % of total Shares of the Company is based on the paid up Capital of the Company at the end of the Year.

E) Shareholding of Directors and Key Managerial Personnel:

Sr. No.	Shareholding of each Directors and each Key Managerial Personnel	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	Satishkumar Asamal Mehta				
	At the beginning of the year	1578550	13.88	1578550	13.88
	Date wise Increase / Decrease in Shareholding during the year	-	-	-	-
	At the end of the year	1578550	13.88	1578550	13.88
2	Jayeshkumar A Mehta				
	At the beginning of the year	1751500	15.40	1751500	15.40
	Date wise Increase / Decrease in Shareholding during the year	-	-	-	-
	At the end of the year	1751500	15.40	1751500	15.40
3	Hemendra B Patel	-	-	-	-
	At the beginning of the year	-	-	-	-
	Date wise Increase / Decrease in Shareholding during the year	-	-	-	-
	At the end of the year	-	-	-	-
4	Vinita P Maheshwari	-	-	-	-
	At the beginning of the year	-	-	-	-
	Date wise Increase / Decrease in Shareholding during the year	-	-	-	-
	At the end of the year	-	-	-	-
5	Jitendrakumar Patel				
	At the beginning of the year				
	Date wise Increase / Decrease in Shareholding during the year				
	At the end of the year				
6	Krishnakant Somani	-	-	-	-
	At the beginning of the year	-	-	-	-

	Date wise Increase / Decrease in Shareholding during the year	-	-	-	-
	At the end of the year	-	-	-	-
7	BarkhaDeshmukh*	-	-	-	-
	At the beginning of the year	-	-	-	-
	Date wise Increase / Decrease in Shareholding during the year	-	-	-	-
	At the end of the year	-	-	-	-

*Ceased from post of company secretary w.e.f 26.04.2019

V. INDEBTEDNESS

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

(Rs. In Lakhs)

<i>Particulars</i>	<i>Secured Loans excluding deposits</i>	<i>Unsecured Loans</i>	<i>Deposits</i>	<i>Total Indebtedness</i>
Indebtedness at the beginning of the financial year				
i) Principal Amount	979.90	-	-	979.90
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	979.90	-	-	979.90
Change in Indebtedness during the financial year				
* Addition				
* Reduction	17.22	-	-	17.22
Net Change	17.22	-	-	17.22
Indebtedness at the end of the financial year				
i) Principal Amount	962.68	-	-	962.68
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	962.68	-	-	962.68

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 director MD/WTD		Total Amount
		Satish A Mehta (MD)	Jayesh A Mehta (WTD)	Total
1	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	9,00,000/-	9,00,000/-	-
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-
2	Stock Option	-	-	
3	Sweat Equity	-	-	
4	Commission- as % of profit-others, specify...	-	-	
5	Others, please specify	-	-	
	Total (A)	9,00,000/-	9,00,000/-	18,00,000/-
	Ceiling as per the Act*			84.00lacs

* Due to inadequacy of Profit for the year 2018-19 & pursuant to Section 197 of the Companies Act, 2013 & Schedule V, the ceiling limit is being calculated amounting to Rs.84 Lacs on the basis of effective capital given in the Part –II of Schedule V.

B. Remuneration to other directors

Sr No.	Particulars of Remuneration	Name of Directors			Total Amount
		Mr. Hemendra B Patel	Mr. Jitendrakumar Patel	Mrs. Vinita P Maheshwari	
1	Independent Directors	√	√	√	
	Fee for attending board committee meetings	-	-	-	-
	Commission	-	-	-	-
	Others, please specify	-	-	-	-
	Total (1)	-	-	-	-
2	Other Non-Executive Directors	-	-	-	-
	Fee for attending board committee meetings	-	-	-	-
	Commission	-	-	-	-
	Others, please specify	-	-	-	-
	Total (2)	-	-	-	-
	Total (B)=(1+2)	-	-	-	-
	Total Managerial Remuneration	-	-	-	-
	Overall Ceiling as per the Act	Rs. 1,00,000/- per meeting			

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

Sr No	Particulars of Remuneration	Key Managerial Personnel		
		CFO Mr. KrishnakantSomani	CS Ms. Barkha Deshmukh*	Total
1	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	326300	240000	566300
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
4	Commission	-	-	-
	- as % of profit	-	-	-
	Others, specify...	-	-	-
5	Others, please specify			
	Total	326300	240000	566300

*Ceased from post of company secretary w.e.f 26.04.2019

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			NONE		
Punishment					
Compounding					
B. DIRECTORS					
Penalty			NONE		
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty			NONE		
Punishment					
Compounding					

Date: 12/08/2019

Place: Santej (Kalol)

**For and on behalf of board of directors
Satishkumar A Mehta
Chairman & Managing Director
(DIN: 01958984)**

Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31st March, 2019
[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies
(Appointment and Remuneration Personnel) Rules, 2014]

To,
The Members,
Sagardeep Alloys Limited
Ahmedabad, Gujarat.

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

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

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

- i. The Companies Act, 2013 (**the Act**) and the rules made there under.
- ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- iv. Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowing.
- v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015.

- (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009.
- (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 **(not applicable to the company during the audit period)**
- (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 **(not applicable to the company during the audit period);**
- (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 **(not applicable to the company during the audit period);**
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 **(not applicable to the company during the audit period);**

I have relied on the representations made by the Company and its officers for systems and mechanism formed by the Company for compliances of other specific applicable Acts, Laws and Regulations to the Company as mentioned hereunder;

- a) The Employees' Provident Funds and Miscellaneous Provisions Act, 1952
- b) Employees' State Insurance Act, 1948
- c) The Factories Act, 1948
- d) The Minimum Wages Act, 1948, and rules made there under

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India;
- (ii) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

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

I further report that:

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

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

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

I further report that:

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

I further report that:

The company has migrated from the NSE Emerge i.e. SME Board to NSE Main board on 25th January, 2019.

I further report that there were no other instances of:

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

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

Devesh Khandelwal
Proprietor
FCS: 6897,
COP No.:4202

Place: Ahmedabad
Date:30/05/2019

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

Annexure to Secretarial Audit Report

To,
The Members,
Sagardeep Alloys Limited
Ahmedabad, Gujarat.

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

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

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

Devesh Khandelwal
Proprietor
FCS: 6897,
COP No.:4202

Place: Ahmedabad
Date:30/05/2019

Annexure- "III"

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

Sr.No.	Requirements	Disclosure	
		I.	The ratio of the remuneration of each director to the median remuneration of the employees for the financial year
		WTD	5.76 times
II.	The percentage increase in remuneration of each director, CFO, CEO, CS in the financial year	MD	Nil
		WTD	Nil
		CS	Nil
		CFO	37.36%
III.	The percentage increase in the median remuneration of employees in the financial year	15.82%	
IV.	The number of permanent employees on the rolls of the Company as on 31 st March, 2019	15	
V.	Average percentile increases already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration	Nil	
VI.	Affirmation that the remuneration is as per the remuneration policy of the company	Yes, it is confirmed	

Regd Office:

Plot No. 2070 , Rajnagar Patiya ,
SantejKhatrajRoad ,
SantejKalol,
Gandhinagar 382721

Date: 12/08/2019

Place:Santej (Kalol)

By Order of the Board of Directors

For, Sagardeep Alloys Limited

Sd/-

Satishkumar Mehta

Chairman & Managing Director

(DIN: 01958984)

MANAGEMENT’S DISCUSSION AND ANALYSIS

INDUSTRY STRUCTURE & DEVELOPMENT

The size of Indian copper industry (consumption of refined copper per annum) is around half a million tones which constitutes only 3 percent of the world copper market. Sterlite Industries, Hindalco Industries and Hindustan Copper are major producers of refined copper in India. India has emerged as net exporter of copper from the status of net importer on account of rise in production. In fact, copper as a metal came in use of man much earlier than iron. Copper has been used for making utensils and coins since long. Being a good conductor of electricity and ductile, it is extensively used in a vast variety of electrical machinery, wires and cables. It is also an important metal used by automobile and defense industries. Further, it is alloyed with iron and nickel to make stainless steel, with nickel to make ‘morel metal’ and with aluminium to make ‘duralumin’. When alloyed with zinc it is known as ‘brass’ and with tin ‘bronze’. Copper ore is found in ancient as well as in younger rock formations and occurs as veins, as dissemination and as bedded deposits. Mining for copper is a costly and a tedious affair because most of the copper ores contain a small percentage of the metal. Against the international average of metal content (in the ore) of 2.5 per cent, Indian ore grade averages less than one per cent.

SEGEMENT WISE PERFORMANCE

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

OPPORTUNITIES AND THREATS

Our success as an organization depends on our ability to identify opportunities and leverage them while mitigating the risks that arise while conducting our business. During the financial year 2018-19, major decision of indulging into different business activities was taken in order to widen the operation of the Company. Looking into the opportunities into new business line, your directors are optimistic about future expansion and growth of our Company. Despite of identifying opportunities, there is always risk associated to it like Competition, General Economic and Business Conditions, legal and regulatory compliance etc.

OUTLOOK, RISKS & CONCERNS

Our Outlook, risks and concerns are as follows:

- A large part of our revenue depends on our top clients and loss of any one of major client may lead to negative impact on our business.
- Our success depends on our top management and key personnel and our ability to attract and retain them.
- Changes in policies of government of India or political instability may adversely affect economic conditions in India, which may lead to negative impact on our business.

- Any natural calamities such as earthquakes, storms, fire etc. may tend to affect our operational efficiency negatively.

INTERNAL CONTROL SYSTEM AND ADEQUACY

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

FINANCIAL AND OPERATIONAL PERFORMANCE

Refer the point no 1 of the director report.

HUMAN RESOURCES AND INDUSTRIAL RELATIONS

The industrial relations remained cordial throughout the year. The employees of the Company have extended a very productive cooperation in the efforts of the management to carry the Company to greater heights. Continuous training down the line is a normal feature in the Company to upgrade the skills and knowledge of the employees and workmen of the Company.

CAUTIONARY STATEMENT

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

Regd Office:

Plot No. 2070 , Rajnagar Patiya ,
SantejKhatrajRoad ,
SantejKalol,
Gandhinagar 382721

Date: 12/08/2019

Place: Ahmedabad

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

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

Corporate Governance Report

CORPORATE GOVERNANCE

The Company believes that sound Corporate Governance is crucial for enhancing and retaining investor trust and your Company always seeks to ensure that its performance goals are met accordingly. Corporate Governance is a set of principles, processes and systems which govern a company. The elements of Corporate Governance are independence, transparency, accountability, responsibility, compliance, ethics, values and trust. Corporate Governance enables an organization to perform efficiently and ethically generate long term wealth and create value for all its stakeholders.

The Company has established systems and procedures to ensure that its Board of Directors is well informed and well equipped to fulfill its overall responsibilities and to provide management with the strategic direction needed to create long term shareholders' value. The Company has adopted many ethical and transparent governance practices even before they were mandated by law. The Company has always worked towards building trust with shareholders, employees, customers, suppliers and other stakeholders based on the principles of good corporate governance.

COMPANY'S CORPORATE GOVERNANCE PHILOSOPHY

In line with the Sagardeep Group philosophy, your Company firmly believes in adherence to good corporate governance practices and constant efforts are made to improve such practices and to adopt emerging best practices. Your Company is committed to continuously scaling up its corporate governance standards. The Company's essential character revolves around values based on transparency, integrity, professionalism and accountability. The Company has adopted a Code of Conduct for its employees including the Managing Director and the Executive Directors. In addition, the Company has adopted a Code of Conduct for its non-executive directors which includes Code of Conduct for Independent Directors which suitably incorporates the duties of independent directors as laid down in the Act.

CORPORATE GOVERNANCE GUIDELINES

The Management continuously strives to follow the global best practices and timely disclosure of accurate information pertaining to financials & performance in accordance with good governance practices. The Company has a strong legacy of fair, transparent and ethical governance practices.

BOARD OF DIRECTORS

a. Composition of the Board:

The Board of Directors along with its committees provide the requisite leadership and guidance to the Company's senior management team and also direct, supervise and closely monitor the performance of the Company.

The Company's policy is to have an appropriate mix of Executive, Non-Executive & Independent Directors. As on March 31, 2019, the Board comprises of 5 (Five) Directors, of which, 2 (Two) are Executive Directors, 3 (Three) are Independent Directors. The Board is chaired by Mr. Satishkumar A.

Mehta, Managing Director. The Composition of the Board is in conformity with the provisions of the Act and Regulation 17 of the LODR.

None of the Directors on the Company's Board is a member of more than 10 Committees and chairman of more than 5 Committees across all Public Limited companies including listed entities in which he/she is a Director.

b. Meetings of the Board:

The Board Meetings are held at regular intervals with a time gap of not more than 120 days between two consecutive meetings. Additional meetings are held whenever deemed necessary for the conduct of business. During the year under review, 5 board meetings were held on 28/05/2018, 30/08/2018, 01/11/2018, 28/02/2019 and 30/03/2019.

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

The Independent Directors met on May 3, 2019 to discuss the performance evaluation of the Board, Committees, Chairman and the individual Directors.

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

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

The following is the composition of the Board of Directors as on March 31, 2019. The Directors strive to attend all the Board / Committee meetings. Their attendance at the Meetings held during the year and at the last AGM was as under:

Name of Director	Category	Meetings held during the year	No. of Board Meetings attended	Attendance at last AGM
Mr. SatishkumarAsamal Mehta	Chairman &Managing Director	5	5	Yes
Mr. JayeshkumarAshmalMehta	Whole Time Director	5	5	Yes
Mr. HemendrabhaiBhailalPatel	Independent Director	5	4	Yes
Mrs. Vinita Pankaj Maheshwari	Independent Director	5	5	Yes
Mr. JitendrakumarDhanjibhai Patel	Independent Director	5	5	Yes

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

None of the Directors hold the office of director in listed entities (whose equity and debt securities are listed).

The number of shares held by the board as on 31st March, 2019 is disclosed in Annexure “I” of the board report. (Refer Page no 31 and 32). The board of directors don’t hold any convertible instruments of the company.

Relationship between the Directors

Name of Director	Category	Relationship between the Directors
Mr. SatishkumarAsamal Mehta	Chairman &Managing Director	Brother of Mr. JayeshkumarAshmal Mehta
Mr. JayeshkumarAshmalMehta	Whole Time Director	Brother of Mr. SatishkumarAsamal Mehta
Mr. HemendrabhaiBhailalPatel	Independent Director	No Relation
Mrs. Vinita Pankaj Maheshwari	Independent Director	No Relation
Mr. JitendrakumarDhanjibhai Patel	Independent Director	No Relation

c. Information to the Board:

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

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

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

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

BOARD COMMITTEES

The Board currently has the following three Committees:

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

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

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

Audit Committee

❖ Terms of Reference

1. Oversight of the Issuer's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
2. Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the statutory auditor and the fixation of audit fees.
3. Review and monitor the auditor's independence and performance, and effectiveness of audit process.
4. Approval of payment to statutory auditors for any other services rendered by the statutory auditors.
5. Examination of the financial statement and the auditors' report thereon.
6. Reviewing, with the management, the annual financial statements before submission to the board for approval, with particular reference to:
 - a. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (2AA) of section 217 of the Companies Act, 1956
 - b. Changes, if any, in accounting policies and practices and reasons for the same
 - c. Major accounting entries involving estimates based on the exercise of judgment by management
 - d. Significant adjustments made in the financial statements arising out of audit findings
 - e. Compliance with listing and other legal requirements relating to financial statements

- f. Disclosure of any related party transactions
 - g. Qualifications in the draft audit report.
7. Reviewing, with the management, the half yearly financial statements before submission to the board for approval.
 8. Approval or any subsequent modification of transactions of the company with related parties;
 9. Scrutiny of inter-corporate loans and investments;
 10. Valuation of undertakings or assets of the company, wherever it is necessary;
 11. Evaluation of internal financial controls and risk management systems;
 12. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter.
 13. Reviewing, with the management, performance of statutory and internal auditors, and adequacy of the internal control systems.
 14. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
 15. Discussion with internal auditors any significant findings and follow up there on.
 16. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board.
 17. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
 18. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of nonpayment of declared dividends) and creditors.
 19. To review the functioning of the Whistle Blower mechanism, in case the same is existing.
 20. Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience & background, etc. of the candidate.
 21. The Audit Committee shall mandatorily review the following information:
 - a. Management discussion and analysis of financial condition and results of operations;
 - b. Statement of significant related party transactions (as defined by the audit committee), submitted by management;
 - c. Management letters / letters of internal control weaknesses issued by the statutory auditors;
 - d. Internal audit reports relating to internal control weaknesses;
 - e. The appointment, removal and terms of remuneration of the Chief internal auditor shall be subject to review by the Audit Committee
 22. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee and as required to be carried out as per applicable law including listing agreement.

Composition

As on March 31, 2019 the Audit Committee was comprising of two Independent Directors and One Executive Director. The Chairman of the Committee is an Independent Director.

Meetings

During the year ended March 31, 2019, Audit Committee met 4 (Four) times 28/05/2018, 30/08/2017, 01/11/2018 and 28/02/2019.

Name of Director	Category	Meetings held during the year	No. of Meetings attended
Mr. JitendrakumarDhanjibhai Patel	Chairman	4	4
Mr. SatishkumarAsamal Mehta	Member	4	4
Mrs. Vinita Pankaj Maheshwari	Member	4	4

Meetings held during the year are expressed as number of meetings eligible to attend.

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

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

Internal Audit:

M/s. Vishwas Sharma & Associates are the Internal Auditors of the Company. Over a period, auditors have gained knowledge about the businesses of the Company, its systems & procedures. They are reviewing from time to time, Company's systems of internal controls covering financial, operational, compliance, IT applications, etc. and presentations were made to the Audit Committee on quarterly basis covering the scope of their audit and their findings. To maintain its objectivity and independence, the Internal Auditor reports to the Chairman of the Audit Committee and significant audit observations, comments and corrective actions thereon are presented to the Audit Committee in its meeting.

Nomination and Remuneration Committee

❖ Terms of Reference

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

Composition

As on March 31, 2019 the NRC comprised of three Independent Directors. The Chairman of the Committee is an Independent Director.

Meetings

During the year ended March 31, 2019, the NRC committee met 1 (One) times 28/05/2018.

Name of Director	Category	Meetings held during the year	No. of Meetings attended
Mr. JitendrakumarDhanjibhai Patel	Chairman	1	1
Mr. HemendrabhaiBhailalPatel	Member	1	1
Mrs. Vinita Pankaj Maheshwari	Member	1	1

Board Membership Criteria

While screening, selecting and recommending to the Board new members, the NRC ensures that the Board is objective, there is absence of conflict of interest, ensures availability of diverse perspectives, business experience, legal, financial & other expertise, integrity, managerial qualities, practical wisdom, ability to read & understand financial statements, commitment to ethical standards and values of the Company and ensure healthy debates & sound decisions.

While evaluating the suitability of a Director for re-appointment, besides the above criteria, the NRC considers the past performance, attendance & participation in and contribution to the activities of the Board by the Director.

The Independent Directors comply with the definition of Independent Directors as given under Section 149(6) of the Act and Regulation 16(1)(b) of the LODR. While appointing/re-appointing any Independent Directors/ Non-Executive Directors on the Board, the NRC considers the criteria as laid down in the Act and the LODR.

All the Independent Directors give a certificate confirming that they meet the “independence criteria” as mentioned in Section 149(6) of the Act and the LODR.

The Board has taken on record the declaration and confirmation submitted by the Independent Directors after assessing the veracity of the same.

Further, the Board is of the opinion that the Independent Directors fulfil the conditions specified in the LODR and are independent of the management.

Remuneration Policy

The remuneration of the Board members is based on the Company’s size & global presence, its economic & financial position, industrial trends, compensation paid by the peer companies, etc. Compensation reflects each Board member’s responsibility and performance. The level of

compensation to Executive Directors is designed to be competitive in the market for highly qualified executives.

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

Performance Evaluation Criteria for Independent Directors:

The performance evaluation questionnaire covers specific criteria with respect to the Board & Committee composition, structure, culture, effectiveness of the Board and Committees, functioning of the Board and Committees, information availability, remuneration structure, succession planning etc. It also contains specific criteria for evaluating the performance of the Chairman and individual Directors.

The evaluation is done by Chairman of the Nomination & Remuneration Committee and the same is discussed in the meeting of the NRC.

Thereafter, the Chairman of NRC apprises the Board on the performance evaluation results and also the suggestions made by the Board Members, if any.

Details of Remuneration Paid/Payable to Directors for the Year Ended March 31, 2019 is as under:-

(a) Executive Directors:

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

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

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

No severance pay is payable on termination of appointment.

(b) Independent Directors/Non-Executive Director:

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

Name of Director	Category	Salary
Mr. Hemendrabhai Bhailal Patel	Independent Director	Nil
Mrs. Vinita Pankaj Maheshwari	Independent Director	Nil
Mr. Jitendrakumar Dhanjibhai Patel	Independent Director	Nil

Stakeholders' Relationship Committee

❖ Terms of Reference

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

Composition

The Stakeholders' Relationship Committee (SRC) as on March 31, 2019, comprised of three Independent Directors as its members. The Chairman of the Committee is a Non-Executive Director Independent Director of the Company.

Meetings

During the year ended March 31, 2019, the SRC committee met 1 (One) time on 25/05/2018.

The attendance of Members at the Meetings was as follows:

Name of Director	Category	Meetings held during the year	No. of Meetings attended
Mrs. Vinita Pankaj Maheshwari	Chairman	1	1
Mr. JitendrakumarDhanjibhai Patel	Member	1	1
Mr. HemendrabhaiBhailalPatel	Member	1	1

Meetings held during the year are expressed as number of meetings eligible to attend.

NUMBER OF REQUESTS/COMPLAINTS

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

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

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

COMPLIANCE OFFICER

Mr. Nayan P. Pitroda has been appointed as company secretary and Compliance officer of the company w.e.f. 13/05/2019.

Other information:

Directors' Familiarization Program

All directors are aware and are also updated as and when required of their responsibilities, roles and liabilities.

The Board of Directors has complete access to the information within the Company. Minutes of all committees are being included as a part of Agenda to the Board. Systems, procedures and resources are in place to ensure that every Director is supplied, in a timely manner, with precise and concise information in a form and of a quality appropriate to effectively enable / discharge his / her duties. The Directors are given time to study the data and contribute effectively to the Board discussions.

Presentations are made regularly to the Board / NRC / Audit Committee (AC) where Directors get an opportunity to interact with senior management. Presentations, inter alia, cover business strategies, management structure, HR policy, succession planning, quarterly and annual results, budgets, review of Internal Audit, Corporate Social Responsibility and risk management framework etc.

Independent Directors through their interactions and deliberations give suggestions for improving overall effectiveness of the Board and its Committees. Independent Directors have the freedom to interact with the Company's management.

As part of the appointment letter issued to Independent Directors, the Company has stated that it will facilitate attending seminars/programs/conferences designed to train directors to enhance their role as an Independent Director. The details of

VIGIL MECHANISM /WHISTLE BLOWER POLICY

Please refer point 27 of the Board Report.

STATUTORY AUDITORS

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

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

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

Particulars	Amount
Audit fees	1,50,000
Tax Audit	40,000

Also refer to point 20 of the Board Report.

CODE OF CONDUCT

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

**To the Shareholders of
Sagardeep Alloys Limited**

Sub: Compliance with Code of Conduct

In terms of requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, I hereby declare and certify that all the Board members and senior management personnel of Sagardeep Alloys Limited have affirmed compliance with the code of conduct adopted by the Company for the year 2018-19.

**Satish Mehta
Managing Director**

Date: August 12, 2019

Place: Santej (Kalol)

General Body Meetings

The last three Annual General Meetings of the Company were held as under:

Financial Year	Date	Venue	Time	Special Resolution Passed At AGM
2017-2018	25 th July, 2018	205, Pittaliya Bumba, Nr. Madhuram Cinema, GheeKatha, Ahmedabad-380001	11.30 A.M.	Yes
2016-2017	21 st September, 2017	205, Pittaliya Bumba, Nr. Madhuram Cinema, GheeKatha, Ahmedabad-380001	11.30 A.M.	No

2015-2016	30 th 2016	September,	205, PittaliyaBumba, Nr. Madhuram Cinema, GheeKatha, Ahmedabad-380001	11.00 A.M.	No
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The following Special Resolutions were passed by the members during the past three Annual General Meetings:

Annual General Meeting Held on 25th July, 2018

- To shift the registered office of the company

Postal Ballot

Refer to Point 12 of the Board Report.

Disclosures:

A. During the year, there were no transactions of material nature with the Directors or the Management or relatives or the subsidiaries or related parties that had potential conflict with the interests of the Company.

B. Details of all related party transactions form a part of the accounts as required and the same are given on page 98 of the Annual Report.

C. The Company has followed all relevant Accounting Standards while preparing the Financial Statements.

D. The Company has complied with the requirements of the Stock Exchanges, SEBI and other statutory authorities on all matters relating to capital markets during the last three years. No penalties or strictures have been imposed on the Company by the Stock Exchanges, SEBI or any other statutory authorities relating to the above.

E. The Company has obtained Certificate from Mr. Devesh Khandelwal, Practicing Company Secretary confirming that Directors have not been debarred or not been disqualified from being appointed or continuing as Directors by SEBI/ MCA or any other authority.

F. The policy for determining material subsidiaries and related party transactions is available on our website www.sdalloys.com.

Means of Communication:

Financial Results The results are also posted on the Company's website www.sdalloys.com.

Website The Company's website www.sdalloys.com provides comprehensive information about its portfolio of businesses. Section on "Investors" serves to inform and service the Shareholders allowing them to access information at their convenience. The quarterly shareholding pattern of the Company is available on the website of the Company as well as the stock exchanges. The entire Annual Report and Accounts of the Company will also be made available on the websites of the Stock Exchanges. Annual Report and accounts of the Company and its

	subsidiaries will be available on the website of the Company in downloadable format.
Filing with Stock Exchanges	Information to Stock Exchanges is now being also filed online on NEAPS for NSE
Annual Report	Annual Report is circulated to all the members and all others like auditors, secretarial auditor, equity analysts, etc
Management Discussion & Analysis	This will form a part of the Annual Report which is mailed to the shareholders of the Company.
Presentations/ Investor call made to Institutional Investors and Analysts	The schedule of analyst/institutional investor meets and presentations if made to them are placed on the website of the Company. The quarterly Earning Conference call transcript is made available to the investors on the Company's website

Compliance Monitoring System

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

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

Regd Office:

Plot No. 2070 , Rajnagar Patiya ,
SantejKhatrajRoad ,
SantejKalol,
Gandhinagar 382721

Date: 12/08/2019

Place: Ahmedabad

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

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

GENERAL SHAREHOLDERS' INFORMATION

FINANCIAL YEAR

The financial year of the Company is from April 1 to March 31.

ANNUAL GENERAL MEETING

The AGM of the Company to be convened on Wednesday, 25th September, 2019 at the registered office of the company Plot No. 2070, Rajnagar Patiya, Santej Khatraj Road, Santej Kalol Gandhinagar 382721.

FINANCIAL CALENDAR:

Annual Results of 2018-19	30 th May, 2019
Mailing of Annual Reports*	31 st August, 2019
First Quarter Results	12 th August, 2019
Annual General Meeting	25 th September, 2019
Second Quarter results*	13 th November, 2019
Third Quarter results*	14 th February, 2020
Fourth Quarter / Annual results	30 th May, 2020

*Tentative Dates

BOOK CLOSURE

The dates of book closure are from Wednesday 18th September, 2019 to Wednesday 25th September, 2019.

LISTING OF EQUITY SHARES ON STOCK EXCHANGES

Initially at beginning of the F.Y. 18-19 the equity shares of the company were listed on NSE Emerge, later on the company migrated from NSE Emerge to NSE Main Board w.e.f. 25/01/2019.

LISTING FEES TO STOCK EXCHANGES

The Company has paid the Listing Fees for the year 2018-2019 to the above Stock Exchanges.

CUSTODIAL FEES TO DEPOSITORIES

The Company has paid custodial fees for the year 2018-2019 to National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL).

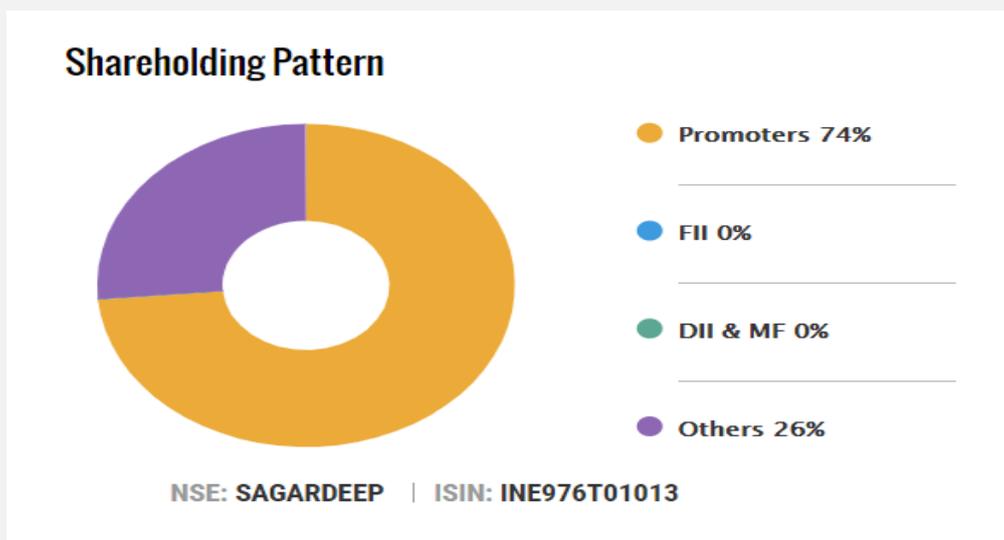
STOCK CODE/SYMBOL:

Symbol (NSE)	SAGARDEEP
ISIN	INE976T01013
Corporate Identification Number	L29253GJ2007PLC050007

DISTRIBUTION OF SHAREHOLDING AS ON 31.03.2019:

Sagardeep Alloys Limited							
Category Wise Holdings Summary							
Category	Demat Securities	Demat Holders	Physical Securities	Physical Holders	Total Securities	Total Holders	%- Issued Capital
Corporate Bodies (Promoter Co)	633500	1	0	0	633500	1	5.5709
Clearing Members	335843	44	0	0	335843	44	2.9533
Other Bodies Corporate	198732	23	0	0	198732	23	1.7476
Hindu Undivided Family	55283	7	0	0	55283	7	0.4861
Non Resident Indians	2976	2	0	0	2976	2	0.0262
Non Resident (Non Repatriable)	14	1	0	0	14	1	0.0001
Public	2392152	249	0	0	2392152	249	21.0362
Promoters	7738100	12	0	0	7738100	12	68.0476
NBFCs registered with RBI	15000	1	0	0	15000	1	0.1319
TOTAL :	11371600	340	0	0	11371600	340	100

DISTRIBUTION OF SHAREHOLDING BASED ON SHARES HELD AS ON 31/03/2019							
SR.NO.	SHARES RANGE			NUMBER OF SHAREHOLDERS	% OF TOTAL SHAREHOLDERS	TOTAL SHARES FOR THE RANGE	% OF ISSUED CAPITAL
1	1	to	500	152	44.7059	14613	0.1285
2	501	to	1000	22	6.4706	18355	0.1614
3	1001	to	2000	11	3.2353	18074	0.1589
4	2001	to	3000	4	1.1765	11026	0.0970
5	3001	to	4000	5	1.4706	17812	0.1566
6	4001	to	5000	7	2.0588	30849	0.2713
7	5001	to	10000	66	19.4118	424594	3.7338
8	10001	and	above	73	21.4706	10836277	95.2925
	Total			340	100.0000	11371600	100.0000



STOCK MARKET DATA FOR THE YEAR 2018-2019:

Month	SAGARDEP Stock Price		
	High	Low	Month Close
2018			
April	26.30	26.30	26.30
May	26.30	26.30	26.30
June	26.30	25.10	25.10
July	25.10	25.10	25.10
August	25.10	25.10	25.10
September	25.10	25.10	25.10
October	50.00	30.50	50.00
November	62.25	50.00	62.52
December	77.00	50.00	77.00
2019			
January	99.90	88.70	91.50
February	111.00	84.35	91.35
March	95.95	53.70	59.90

PLANT LOCATIONS

Plot No. 2070 , Rajnagar Patiya ,
SantejKhatrajRoad ,
SantejKalol Gandhinagar 382721

ADDRESS FOR CORRESPONDENCE

Address of RTA:

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

Address of Compliance Officer:

Nayan P. Pitroda
Plot No. 2070 , Rajnagar Patiya ,
SantejKhatrajRoad ,
SantejKalol Gandhinagar 382721

SHARE TRANSFER SYSTEM

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

Physical shares received for dematerialization are processed and completed within a period of 21 days from the date of receipt.

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

SHAREHOLDERS GRIEVANCES

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

SECURITIES DEALING CODE

Pursuant to Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 (SEBI Insider Trading Regulations) the Company has adopted its Securities Dealing Code ('Code') for prevention of insider trading. The objective of the Code is to prevent dealing in the shares of the Company by an Insider while in possession of information known only to them, and not yet made publicly available by the Company, which, when made publicly available, can materially impact the price of the Company's securities. The code lays down guidelines to the identified employees and create the necessary framework for transacting in the Company's securities, seeking prior clearance for transactions wherever necessary, and a mechanism for periodical reporting of transactions. The objective of the Code is to prevent purchase and/or sale of shares of the Company by an Insider on the basis of unpublished price sensitive information. Under this Code, Designated Persons (Directors, Advisors, Officers and other concerned employees/persons) are prevented from dealing in the Company's shares during the closure of Trading Window. To deal in securities beyond specified limit, permission of Compliance Officer is also required. All the Designated Employees are also required to disclose related information periodically as defined in the Code. Directors and

designated employees who buy and sell shares of the Company are prohibited from entering into an opposite transaction i.e. sell or buy any shares of the Company during the next six months following the prior transactions.

Pursuant to the enactment of the SEBI (Prohibition of Insider Trading) (Amendment) Regulations, 2018, the Company has suitably modified the provisions of the Code which are effective from 1st April 2019. Mr. Nayan P. Pitroda, Company Secretary has been designated as the Compliance Officer. Mr. K.K. Sommani is the Chief Investor Relations Officer of the Company.

The Company also formulated Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information which is available on Company's Website www.sdalloys.com

Awareness sessions/workshops on Governance practices:

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

SECRETARIAL AUDIT AS PER SEBI REQUIREMENTS:

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

SECRETARIAL AUDIT AS PER COMPANIES ACT, 2013:

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

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

GROUP GOVERNANCE:

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

CFO Certificate

To the Board of Directors of
SAGARDEEP ALLOYS LIMITED

Dear Sir/Mam,

Sub: CFO Certificate

Issued in accordance with provisions of Regulation 17(8) of SEBI (Listing Obligations & Disclosure Requirements), Regulations, 2015

We have reviewed the standalone & consolidated financial statements, read with the standalone & consolidated cash flow statement of Sagardeep Alloys Limited for the year ended March 31, 2019 and that to the best of our knowledge and belief, we state that:

- (a) (i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that may be misleading;
(ii) these statements present a true and fair view of the Company's affairs and are in compliance with current accounting standards, applicable laws and regulations.
- (b) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or in violation of the Company's code of conduct.
- (c) We accept responsibility for establishing and maintaining internal controls for financial reporting. We have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and have disclosed to the Auditors and the Audit Committee, deficiencies, if any, in the design or operation of such internal controls of which we are aware and steps taken or proposed to be taken for rectifying these deficiencies.
- (d) We have indicated to the Auditors and the Audit Committee:
 - (i) that there were no significant changes in internal controls over financial reporting during the year; and
 - (ii) that there were no significant changes in accounting policies made during the year; and
 - (ii) that there were no instances of significant fraud of which we have become aware.

Yours Sincerely,

KrishnakantSomani
CFO

Date: 12th August, 2019
Place: Satej (Kalol)

INDEPENDENT AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE TO THE MEMBERS OF SAGARDEEP ALLOYS LIMITED

1. This certificate is issued in accordance with the terms of our engagement letter.
2. We have examined the compliance of conditions of corporate governance by Sagardeep Alloys Limited ('the Company'), for the year ended on 31 March 2019, as stipulated in regulation 17 to 27 and clause (b) to (i) of regulation 46(2) and paragraphs C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations').

MANAGEMENT'S RESPONSIBILITY

3. The compliance of conditions of corporate governance is the responsibility of management. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure compliance with the conditions of corporate governance stipulated in the SEBI Listing Regulations.

AUDITOR'S RESPONSIBILITY

4. Our responsibility is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the corporate governance. It is neither audit nor expression of opinion on the financial statements of the Company
5. We have examined the books of accounts and other relevant records and documents maintained by the Company for the purpose of providing reasonable assurance on the compliance with corporate governance requirements by the Company.
6. We have carried out an examination of the relevant records of the Company in accordance with the Guidance Note on Certification of Corporate Governance issued by the Institute of Chartered Accountants of India ('the ICAI'), the Standards on Auditing specified under Section 143(10) of the Companies Act, 2013, in so far as applicable for the purpose of this certificate and as per the Guidance Note on Reports or Certificates for Special Purpose issued by the ICAI which requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
7. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

OPINION

8. Based on our examination of the relevant records and according to the information and explanation provided to us and representations provided by management, we certify that the Company has complied with the conditions of corporate governance as specified in regulation 17 to 27, clause (b) to (i) of regulation 46(2) and paragraphs C, D and E of Schedule V of the SEBI Listing Regulations, as applicable during the year ended 31 March 2019.
9. We state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

RESTRICTION ON USE

10. The certificate is addressed to and provided to the members of the Company solely for the purpose of complying with the aforesaid SEBI Listing Regulations and may not be suitable for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other party to whom it is shown or into whose hands it may come without our prior consent in writing.

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

**Piyush J. Shah
Partner
M. No: 108670**

**Place: Ahmedabad
Date: 30th May, 2019**

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

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

To,
The Members,
SAGARDEEP ALLOYS LIMITED,
SantejKalol,
Gandhinagar 382721

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

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to me by the Company and its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial year ending on 31st March, 2019 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

Sr. No.	Name of Director	DIN	Date of Appointment in Company
1.	SatishkumarAsamal Mehta	01958984	13/02/2007
2.	Mehta JayeshkumarAshmal	02156140	05/05/2008
3.	Patel HemendrabhaiBhailal	01827562	28/08/2015
4.	Vinita Pankaj Maheshwari	07187365	28/08/2015
5.	JitendrakumarDhanjibhai Patel	07369309	23/02/2017

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

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

Devesh Khandelwal
Proprietor
FCS: 6897,
COP No.:4202

Place: Ahmedabad
Date:30/05/2018

Independent Auditors' Report

**TO,
THE MEMBERS OF
SAGARDEEP ALLOYS LIMITED**

Opinion

We have audited the accompanying standalone financial statements of **SAGARDEEP ALLOYS LIMITED** ("the Company"), which comprise the Balance Sheet as at **31st March, 2019**, the Profit and Loss Statement, the Cash Flow Statement for the Period ended and a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at **31st March, 2019** and its profit and its cash flows for the year/period ended on that date.

Basis of Our Opinion

We conducted our audit in accordance with the standard on auditing (SAs) specified under section 143(10) of the companies act, 2013. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the standalone financial statements section of our report. We are independent of the company in accordance with the code ethics issued by the institute of chartered accountants of India together with ethical requirements that are relevant to our audit of standalone financial statement under the provisions of the companies act, 2013 and rules there under, and we have fulfilled our ethical responsibilities in accordance with these requirements and the code of ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit 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 standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide separate opinion on these matters.

MANAGEMENT'S RESPONSIBILITY FOR THE STANDALONE FINANCIAL STATEMENTS

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance 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, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that

were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

AUDITORS' RESPONSIBILITY

Our responsibility is to express an opinion on these standalone financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the standalone financial statements are free from material misstatements.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the standalone financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the standalone financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's directors, as well as evaluating the overall presentation of the standalone financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

As required by Section 143(3) of the Act, we report that:

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
- b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- c) Not Applicable
- d) the balance sheet, the statement of profit and loss dealt with by this Report are in agreement with the books of account;
- 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) Not Applicable
- g) On the basis of the written representations received from the directors as on 31stMarch, 2019, taken on record by the Board of Directors, none of the directors is disqualified as on 31stMarch, 2019, from being appointed as a director in terms of Section 164 (2) of the Act.

- h) Not Applicable
- i) In our opinion, the company has adequate internal financial control system in place and operating effectively.
- j) With respect to the other matters included in the auditor's report and to best of our information and according to the explanation given to us.
 - 1. The company has disclosed the impact of pending litigation on its financial position in its financial statement, if any.
 - 2. The company has made provision, as required under the applicable law or Accounting Standards, for material foreseeable losses, if any, on long term contracts including derivative contracts.
 - 3. There has been no delay in transferring amounts, required to be transferred, to the investor's education and protection fund by the company, if any.

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

Piyush J. Shah
Partner
M. No: 108670
Place: Ahmedabad
Date: 30th May, 2019

Annexure - A to the Auditors' Report

The Annexure referred to in our Independent Auditors' Report to the members of the Company on the standalone financial statements for the Period 01-04-2018 to 31-03-2019, we report that:

- i) (a) The company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

(b) The company has a regular programme of physical verification of its fixed assets by which fixed assets are verified in a phased manner over a period of three years. In accordance with this programme, certain fixed assets were verified during the year and no material discrepancies were noticed on such verification. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets.

(c) The title deeds of immovable properties are held in the name of the company.
- ii) The Inventories have been physically verified during the year by the management. In our opinion and according to the information and explanations given to us, the company has maintained proper records of inventory. As explained to us, there were no material discrepancies noticed on physical verification of inventory as compared to book records and the same has been properly dealt with in books of accounts.
- iii) The Company had granted loans to parties covered in the register maintained under section 189 of the Companies Act, 2013 ('the Act').

(a) Terms and conditions of such loan are not prejudicial to the company

(b) Schedule of repayment of principal and interest are not stipulated but repayment or receipt are on regular basis

(c) Not Applicable
- iv) In our opinion and according to the information and explanations given to us in respect of loans, investments, guarantees, and security provisions of section 185 and 186 of the Companies Act, 2013 had been complied with.
- v) The company had not accepted any deposits from public, therefore 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, is not applicable.
- vi) The Central Government has prescribed the maintenance of cost records under section 148(1) of the Act, for the goods supplied by the Company. In our opinion and according to the information and explanations given to us the company had maintained proper cost records.
- vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted / accrued in the books of account in respect of undisputed statutory dues including provident fund, income tax, sales tax, wealth tax, service tax, duty of customs, value added tax, cess 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 and duty of excise.

According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, income tax, sales tax, wealth tax, service tax, duty of customs, value added tax, cess and other material statutory dues were in arrears as at 31st March, 2018 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 wealth tax, duty of customs and cess which have not been deposited with the appropriate authorities on account of any dispute. However, according to the information and explanations given to us the following dues of sales tax have not been deposited by the company on account of dispute:

Name of Statute	Nature of Dues	Amount (In Rs.)	Period to which relates	Forum where dispute is pending
Gujarat VAT Act	Sales Tax, Interest and Penalty	2,328,175/-	2009-10	DCCT-A
Gujarat VAT Act	Sales Tax, Interest and Penalty	48,200,824/-		Tribunal
Gujarat VAT Act	Sales Tax, Interest and Penalty	18,385,414/-	2010-11	DCCT-A
Gujarat VAT Act	Sales Tax, Interest and Penalty	4,096,251/-	2011-12	DCCT-A
Gujarat VAT Act	Sales Tax, Interest and Penalty	80,758,272/-	2013-14	DC-Appeal-1

- viii) The company had not defaulted in repayment of loans or borrowing to a financial institution, bank, Government or dues to debenture holders.
- ix) According to the information and explanations given to us the company had not raised any money by way of Initial Public Offer or Further Public Offer and term loans.
- x) According to the information and explanations given to us, no material fraud on or by the Company has been noticed or reported during the course of our audit.
- xi) According to the information and explanations given to us, managerial remuneration had been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act.
- xii) In our opinion the company is not Nidhi company. Therefore the provisions as mentioned in the Nidhi Rules, 2014 are not applicable to the company.
- xiii) In our opinion and according to the information and explanations given to us all transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the Financial Statements etc., as required by the applicable accounting standards.

- xiv) According to the information and explanations given to us, the company had not made preferential allotment of shares during the year/period under review and the requirement of section 42 of the Companies Act, 2013 and other provisions are not applicable.
- xv) According to the information and explanations given to us the company had not entered into any non-cash transactions with directors or persons connected with him.
- xvi) In our opinion, the company is not a Non Banking Finance Company, therefore the requirement to register under section 45-IA of the Reserve Bank of India Act, 1934 is not applicable.

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

Piyush J. Shah
Partner
M. No: 108670
Place: Ahmedabad
Date: 30th May, 2019

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 **SAGARDEEP ALLOYS LIMITED** (“the Company”) as of **31st March, 2019** in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

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

Auditors’ Responsibility

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgment, including the assessment of the risks of material misstatement of the standalone 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 31st March, 2019, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

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

Piyush J. Shah
Partner
M. No: 108670
Place: Ahmedabad
Date: 30th May, 2019

Sagardeep Alloys Limited

Standalone Statement of Profit and loss for the year ended 31stMarch, 2019

Particulars	Note	AMOUNT IN Rs. 31-Mar-2019	AMOUNT IN Rs. 31-Mar-2018
I. Revenue From Operations			
Sales	19	51,08,87,012	62,40,59,395
II. Other Income	20	58,38,403	23,27,782
III. Total Revenue (I + II)		51,67,25,415	62,63,87,177
IV. Expenses:			
Cost of materials consumed	21	41,44,81,514	34,01,76,727
Purchase of Stock In Trade	22	3,46,62,337	24,76,92,764
Changes in Inventories	23	19,88,178	(62,65,763)
Employee benefits expenses	24	78,30,948	64,05,367
Finance costs	25	92,28,654	88,21,978
and amortization expense			
(i) Depreciation for the year		40,61,253	39,56,827
(ii) Preliminary Expenses W/off		-	-
Other expenses	26	2,10,80,560	1,77,82,801
Total expenses		49,33,33,444	61,85,70,701
V. Profit before exceptional and extraordinary items		2,33,91,971	78,16,476
VI. Exceptional items			
Prior Period Expenses		-	28,478
VII. Profit before extraordinary items and tax (V - VI)		2,33,91,971	77,87,998
VIII. Extraordinary Items		-	-
IX. Profit before tax (VII- VIII)		2,33,91,971	77,87,998
X. Tax expense:			
(1) Current tax		65,91,075	21,73,602
(2) Deferred tax		(5,06,276)	1,61,349
(3) Short / (Excess) Provision		17,188	-
XI Profit (Loss) for the period		1,72,89,984	54,53,047
XII Earnings per equity share:	27		

(1) Basic		
(i) Before Extraordinary Items	1.52	0.48
(ii) After Extraordinary Items	1.52	0.48
(2) Diluted		
(i) Before Extraordinary Items	1.52	0.48
(ii) After Extraordinary Items	1.52	0.48

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

Piyush J. Shah
Partner
M.No. : 108670

Place : Ahmedabad
Date : 30th May 2019

For SagarDeep Alloys Limited

Satish Ashmal Mehta
Managing Director
DIN - 01958984

Jayesh Ashmal Mehta
Director
DIN - 02156140

Krishnakant Somani
Chief Financial Officer

Nayan Pitroda
Company Secretary

Sagardeep Alloys Limited

Standalone Cash Flow Statement for the year ended 31st March, 2019

PARTICULARS	AMOUNT IN	AMOUNT IN
	Rs. 31-Mar-2019	Rs. 31-Mar-2018
Cash flow from operating activities:		
Net profit before tax as per statement of profit and loss	2,33,91,971	77,87,998
Adjusted for:		
Depreciation & amortization	40,61,253	39,56,827
Interest income on loans & advances given	(54,61,149)	(8,48,892)
Net (gain) / loss on Foreign Exchanges	-	9,78,890
Interest & finance costs	92,28,654	88,21,978
Operating cash flow before working capital changes	3,12,20,729	2,06,96,801
Adjusted for:		
(Increase)/ decrease in Inventories	(60,63,773)	(2,42,65,411)
(Increase)/ decrease in trade receivables	5,70,29,278	12,29,70,229
Increase/ (decrease) in trade payables	(3,19,68,480)	(10,26,72,308)
Increase/ (decrease) in other current assets	30,31,766	1,38,23,543
Increase/ (decrease) in other current liabilities	3,20,87,967	(4,36,421)
Increase/ (decrease) in long term provisions	-	-
Increase/ (decrease) in short term provisions	24,15,099	(6,38,990)
	8,77,52,586	2,94,77,443
Cash generated from / (used in) operations	(63,59,953)	(12,00,000)
Income taxes paid		
Net cash generated from/ (used in) operating activities	[A] 8,13,92,633	2,82,77,443
Cash flow from investing activities:		
Purchase of fixed assets	(5,38,87,610)	(19,18,721)
Interest income on loans & advances given	54,61,149	8,48,892
(Increase)/ decrease in long term loans and advances	2,35,890	-
(Increase)/ decrease in short term loans and advances	(2,28,20,077)	(2,72,58,649)
Net cash flow from/(used) in investing activities	[B] (7,10,10,648)	(2,83,28,478)
Cash flow from financing activities:		
Increase in / Repayment of Long-Term Borrowings	(2,04,463)	(7,96,539)
Increase in / Repayment of Short-Term Borrowings	(9,77,885)	53,38,660
Interest & finance costs	(92,28,654)	(88,21,978)
Net (gain) / loss on Foreign Exchanges	-	(9,78,890)
Proceeds from the Issue of Shares	-	-

Net cash flow from/(used in) financing activities	[C]	(1,04,11,002)	(52,58,747)
Net increase/(decrease) in cash & cash equivalents [A+B+C]		(29,017)	(53,09,782)
Cash & cash equivalents as at beginning of the period		17,38,282	70,48,064
Cash & cash equivalents as at end of the period (Refer Note : 16)		17,09,265	17,38,282

Summary of significant accounting

policies

1 to 36

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

As per our report of even date

For Piyush J. Shah & Co.

Chartered Accountants

FRN : 121172W

Piyush J. Shah

Partner

M.No. : 108670

Place : Ahmedabad

Date : 30th May 2019

For SagarDeep Alloys Limited

Satish Ashmal Mehta

Managing Director

DIN - 01958984

Jayesh Ashmal Mehta

Director

DIN - 02156140

KrishnakantSomani

Chief Financial Officer

Nayan Pitroda

Company Secretary

01 Significant Accounting Policies on Standalone Financial Statements

(i) Basis of Accounting Policy

The Standalone Financial statements have been prepared to comply with the Generally Accepted Accounting Principles in India (Indian GAPP), including the Accounting standards referred to in Section 133 of the Companies Act, 2013 or Section 211 (3C) of the Companies Act, 1956.

The financial statements are prepared on accrual basis under the historical cost convention. The financial statements are presented in Indian rupees rounded off to the nearest rupee.

(ii) Revenue Recognition

Revenue is primarily derived from sale of finished goods to the customers. Revenue is recognized only when risks and rewards incidental to ownership are transferred to the customer, it can be reliably measured and it is reasonable to expect ultimate collection. Revenue from operations includes sale of goods.

Interest income is recognized on a time proportion basis taking into account the amount outstanding and the interest rate applicable.

Discount claims, rebates and retirement benefits which cannot be determined with certainty during the year, are recognized on receipt basis.

(iii) Fixed Assets

Tangible Assets are stated at cost net of recoverable taxes, trade discounts and rebates, less accumulated depreciation and impairment loss, if any. The cost of Tangible Assets comprises its purchase price, borrowing cost and any cost directly attributable to bringing the asset to its working condition for its intended use.

Subsequent expenditures related to an item of Tangible Asset are added to its book value only if they increase the future benefits from the existing asset beyond its previously assessed standard of performance.

(iv) Depreciation

Upto March 31st, 2014 depreciation on fixed assets is provided on straight line method (SLM) at the rate and manner prescribed in schedule XIV of the Companies Act, 1956 over their useful life. w.e.f April 1st, 2014 depreciation is provided based on useful life of asset as prescribed in schedule II of Companies Act 2013 except in respect of the assets mentioned in Sub note (2) to the Note-12 forming part of Notes to accounts.

Depreciation on additions to the assets and the assets sold or disposed off, during the year is provided on prorata basis, at their respective useful life or rate of depreciation as prescribed with reference to the date of acquisition / installation or date of sale / disposal.

(v) Investments

Investments are stated at cost.

(vi) Inventories

Inventories are valued at lower of cost or net realizable value. Inventories are taken as valued and certified by the management of the company. The valuation is based on Standard Cost.

(vii) Excise Duty / GST

Excise Duty is charged on ad-valorem basis and is accounted for when the goods are cleared from factory site.

(viii) Provision for Current Tax and Deferred Tax

Provision for current tax is made after taking into consideration benefits admissible under the provisions of the Income Tax Act, 1961.

Deferred tax resulting from "timing difference" between book and taxable profit is accounted for using the tax rates and laws that have been enacted or substantively enacted as on the balance sheet date. The deferred tax assets are recognized and carried.

(ix) Provisions, Contingent Liabilities and Contingent Assets

Provision is recognized in the accounts when there is a present obligation as a result of past event(s) and it is probable that an outflow of resources will be required to settle the obligation and a reliable estimate can be made. Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

Contingent liabilities are disclosed unless the possibility of outflow of resources is remote, if any.

Contingent assets are neither recognized nor disclosed in the financial statements.

02 Share Capital:

Particulars	As At 31-Mar-19	As At 31-Mar-18
	Amount In Rs.	Amount In Rs.
Authorized : Equity shares 20,000,000 of Rs.10 Each	20,00,00,000	20,00,00,000
Issued, Subscribed and Paid up : Equity shares 11,371,600 of Rs.10 Each	11,37,16,000	11,37,16,000
TOTAL Rs. :	11,37,16,000	11,37,16,000

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

Particulars	As At 31-Mar-19		As At 31-Mar-18	
	No. of shares	Amount In Rs.	No. of shares	Amount In Rs.
Equity Shares at the beginning of the year	1,13,71,600	11,37,16,000	1,13,71,600	11,37,16,000
Equity Shares at the end of the year	1,13,71,600	11,37,16,000	1,13,71,600	11,37,16,000

Rights, Preferences and Restrictions attached to shares

Equity Shares

The company has only one class of Equity having a par value Rs.10.00 per share. Each Shareholder is eligible for one vote per share held. The dividend proposed by the board of directors, if any is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in the case of Interim Dividend.

In the event of liquidation, the Equity shareholders are eligible to receive the remaining assets of the company after distribution of all preferential amounts, in proportion to their shareholding.

2.2 The Details of Shareholder holding more than 5% Shares:

Name Of Shareholder	As At 31-Mar-19		As At 31-Mar-18	
	No. Of Shares	% Held	No. Of Shares	% Held
Asamalji S. Mehta	14,66,950	12.90	14,66,950	12.90
Ashok Devji Parmar	6,60,000	5.80	6,60,000	5.80
Jayesh A. Mehta	17,51,500	15.40	17,51,500	15.40
Sagardeep Engineers Pvt Ltd	6,33,500	5.57	6,33,500	5.57
Satish A. Mehta	15,78,550	13.88	15,78,550	13.88
Ugamdevi A. Mehta	10,40,600	9.15	10,40,600	9.15
	71,31,100	62.71	71,31,100	62.71

03 Reserves and Surplus:

Particulars	As At 31-Mar-19	As At 31-Mar-18
	Amount In Rs.	Amount In Rs.
Profit and Loss Account		
Opening Balance	5,16,95,061	4,62,42,014
Add: Profit for the year	1,72,89,984	54,53,047
Closing Balance	6,89,85,045	5,16,95,061
Securities Premium		
Opening Balance	7,85,92,560	7,85,92,560
Add: Addition during the year	-	-
Less: Deletion during the year	-	-
Closing Balance	7,85,92,560	7,85,92,560
TOTAL Rs. :	14,75,77,605	13,02,87,621

04 Long-Term Borrowings:

Particulars	As At 31-Mar-19		As At 31-Mar-18	
	Amount In Rs.		Amount In Rs.	
	Non - Current	Current Maturities	Non - Current	Current Maturities
Loans and advances from related party and others				
Unsecured Loans	52,408	-	-	-
	52,408	-	-	-
Other Loans and advances				
Loans taken for vehicles - Secured (Sub Note : 1)	-	2,56,871	2,56,871	7,96,539
	-	2,56,871	2,56,871	7,96,539
The above amounts includes				
Secured Borrowings	-	2,56,871	2,56,871	7,96,539
Unsecured Borrowings	52,408	-	-	-
Amount Disclosed under the head "Other Current Liabilities" (Note No: 9)	-	(2,56,871)	-	(7,96,539)
TOTAL Rs. :	52,408	-	2,56,871	-

Sub Note : 1

- (i) Vehicle Loan taken from HDFC Bank Limited amounting to Rs.2,100,000/- repayable in 60 installments of Rs.44,750/- starting from August 05, 2014.
- (ii) Vehicle Loan taken from HDFC Bank Limited amounting to Rs.1,300,000/- repayable in 60 installments of Rs.27,720/- starting from July 05, 2014.

05 Deferred Tax Liabilities:

Particulars	As At 31-Mar-19	As At 31-Mar-18
	Amount In Rs.	Amount In Rs.
Deferred tax liability Related to Fixed Assets	50,19,716	55,17,984
Deferred tax liabilities/assets Related to Preliminary Expenses	72,332	80,340
Gross Deferred Tax Liability	50,92,048	55,98,324
Net Deferred Tax Liability	50,92,048	55,98,324

06 Long-Term Provisions:

Particulars	As At 31-Mar-19		As At 31-Mar-18	
	Amount In Rs.		Amount In Rs.	
	Long-Term	Short-Term	Long-Term	Short-Term
Other Provisions				
Expenses Payable	-	14,266	-	4,49,894
Provision for Tax	-	28,21,535	-	(1,68,382)
TDS Payable	-	1,21,661	-	12,541
TOTAL Rs. :	-	29,57,462	-	2,94,053

07 Short-Term Borrowings:

Particulars	As At	As At
	31-Mar-19	31-Mar-18
	Amount In Rs.	Amount In Rs.
Loans Repayable on Demands - From Banks		
Working Capital Loans - Secured (Sub Note -1)	9,59,59,042	9,69,36,927
	9,59,59,042	9,69,36,927
The above amount includes		
Secured Borrowings	9,59,59,042	9,69,36,927
TOTAL Rs. :	9,59,59,042	9,69,36,927

Sub Note : 1

i) AXIS Bank C.C. outstanding as on **March 31, 2019** is secured against Hypothecation of all current assets of the company (present and future), Plant & Machinery, Furniture and Fixtures, office equipment and other class of movable assets except vehicles financed by other banks.

ii) Collateral Security by Equitable mortgage of Factory Land & Building situated at block no. 2070, Village - Santej, Taluka Kalol, District-Gandhinagar.

iii) Interest rate on C.C. is 10.00% and directors have given their personal guarantee for the same.

08 Trade Payables:

Particulars	As At	As At
	31-Mar-19	31-Mar-18
	Amount In Rs.	Amount In Rs.
Sundry Creditors for Goods	1,68,33,353	4,88,01,833
TOTAL Rs. :	1,68,33,353	4,88,01,833

Sub Note: 1

Trade Payable as on March 31, 2019 is taken as certified by management. No security have been given for the same.

Sub Note: 2

The company has sent letters asking the MSME status of the suppliers, based on the confirmation received from the suppliers, the company have classified them accordingly, remaining suppliers are kept out of MSME.

09 Other Current Liabilities:

Particulars	As At 31-Mar-19	As At 31-Mar-18
	Amount In Rs.	Amount In Rs.
Current Maturities of Long Term Loans (Note : 4) (Sub Note : 1)	2,56,871	7,96,539
	2,56,871	7,96,539
Other Payables		
Sundry Creditors for Capital Goods	3,12,70,000	-
Sundry Creditors for Expenses	34,60,902	22,22,549
Advance received from customers (Sub Note : 2)	2,47,616	1,28,334
	3,49,78,518	23,50,883
TOTAL Rs. :	3,52,35,389	31,47,422

Sub Note : 1

(i) Vehicle Loan taken from HDFC Bank Limited amounting to Rs.2,100,000/- repayable in 60 installments of Rs.44,750/-.

(ii) Vehicle Loan taken from HDFC Bank Limited amounting to Rs.1,300,000/- repayable in 60 installments of Rs.27,720/-.

Sub Note : 2

Advanced received from customer as on March 31, 2019 is taken as certified by the management. No security have been given for the same.

10 Short-Term Provisions:

Particulars	As At 31-Mar-19		As At 31-Mar-18	
	Amount In Rs.		Amount In Rs.	
	Long-Term	Short-Term	Long-Term	Short-Term
Other Provisions (Sub Note: 1)				
Expenses Payable	-	14,266	-	4,49,894
Provision for Tax	-	28,21,535	-	(1,68,382)
TDS Payable	-	1,21,661	-	12,541
TOTAL Rs. :	-	29,57,462	-	2,94,053

Sub Note: 1

Short-Term provisions as on March 31, 2019 includes amount provided based on the management estimation.

11 Fixed Assets as at 31st March 2019													
	Description Of Assets	Useful life (In Years)	Shift Operated	Gross Block				Accumulated Depreciation / Amortization				Net Block	Net Block
				Balance as at 01-Apr-18	Additions during the period	Deletions during the period	Balance as at 31-Mar-19	Balance as at 01-Apr-18	Provided during the period	Deletions during the period	Balance as at 31-Mar-19	Balance as at 31-Mar-19	Balance as at 31-Mar-19
A	Tangible Assets												
(a)	Own Assets												
	Buildings												
	Factory at Santej	30.00	Single	62,12,006	6,79,963	-	68,91,969	16,39,198	2,01,294	-	18,40,492	50,51,477	45,72,8
	BandhuSamaj	30.00	Single	78,29,750	4,534	-	78,34,284	14,91,803	2,64,238	-	17,56,041	60,78,243	63,37,9
	Supath 2 - Complex	30.00	Single	-	5,05,350	-	5,05,350	-	10,610	-	10,610	4,94,740	
	Shed at Rakhial	30.00	Single	11,77,190	-	-	11,77,190	2,80,174	41,805	-	3,21,979	8,55,211	8,97,0
	Shed at Jagannath Estate	30.00	Single	1,73,610	5,68,779	-	7,42,389	27,342	14,636	-	41,978	7,00,411	1,46,2
				1,53,92,556	17,58,626	-	1,71,51,182	34,38,517	5,32,583	-	39,71,100	1,31,80,082	1,19,54,0
	Plant & Machinery												
	Plant & Machinery	15.00	Single	1,51,58,836	-	-	1,51,58,836	64,07,292	10,36,993	-	74,44,285	77,14,551	87,51,5
	Analytical Machine	15.00	Single	10,12,099	-	-	10,12,099	5,00,203	70,983	-	5,71,186	4,40,913	5,11,8
	Crane	15.00	Single	-	10,50,000	-	10,50,000	-	6,195	-	6,195	10,43,805	
	Plant & Machinery - Lunej	15.00	Single	2,81,81,921	-	-	2,81,81,921	67,88,793	18,16,730	-	86,05,523	1,95,76,398	2,13,93,1
				4,43,52,856	10,50,000	-	4,54,02,856	1,36,96,288	29,30,901	-	1,66,27,189	2,87,75,667	3,06,56,5

Furniture & Fittings													
Furniture & Fixtures	10.00	Single	15,604	-	-	15,604	12,325	-	-	12,325	3,279	3,2	
			15,604	-	-	15,604	12,325	-	-	12,325	3,279	3,2	
Office Equipment													
Air Conditioner	5.00	Single	81,600	3,83,960	-	4,65,560	69,570	46,400	-	1,15,970	3,49,590	12,0	
CCTV	10.00	Single	32,981	27,200	-	60,181	191	876	-	1,067	59,114	32,7	
R O Plant	10.00	Single	-	78,000	-	78,000	-	10,101	-	10,101	67,899		
Water Cooler	10.00	Single	-	22,200	-	22,200	-	2,103	-	2,103	20,097		
Refrigerator	10.00	Single	-	1,19,600	-	1,19,600	-	16,156	-	16,156	1,03,444		
Water Dispenser	5.00	Single	14,700	-	-	14,700	13,965	-	-	13,965	735	7	
Mobile Phones	5.00	Single	1,01,402	67,409	-	1,68,811	76,290	11,546	-	87,836	80,975	25,1	
			2,30,683	6,98,369	-	9,29,052	1,60,016	87,182	-	2,47,198	6,81,854	70,6	
Motor Vehicles													
Motor Car	8.00	Single	46,21,926	-	-	46,21,926	22,22,306	4,99,670	-	27,21,976	18,99,950	23,99,6	
Other Vehicles	10.00	Single	1,28,698	-	-	1,28,698	92,265	10,917	-	1,03,182	25,516	36,4	
			47,50,624	-	-	47,50,624	23,14,571	5,10,587	-	28,25,158	19,25,466	24,36,0	
Computers and Data Processing Units													
Computers and Printer	3.00	Single	4,70,191	-	-	4,70,191	4,47,465	-	-	4,47,465	22,726	22,7	
				-	-			-	-				

			4,70,191		-	4,70,191	4,47,465			4,47,465	22,726	22,7
	Land	-	55,55,555	7,24,985	-	62,80,540	-	-	-	-	62,80,540	55,55,5
	Total (A)	-	7,07,68,069	42,31,980	-	7,50,00,049	2,00,69,182	40,61,253	-	2,41,30,435	5,08,69,614	5,06,98,8
B	Capital Work In Progress											
	Buildings											
	BandhuSamaj (WIP)	-	98,08,480	34,95,824	-	1,33,04,304	-	-	-	-	1,33,04,304	98,08,4
	Factory Shed (WIP)	-	28,52,306	-	-	28,52,306	-	-	-	-	28,52,306	28,52,3
	Plant & Machinery											
	Plant & Machinery (WIP)	-	-	4,61,59,806	-	4,61,59,806	-	-	-	-	4,61,59,806	
	Total (B)	-	1,26,60,786	4,96,55,630	-	6,23,16,416	-	-	-	-	6,23,16,416	1,26,60,7
	Grand Total (A+B)	-	8,34,28,855	5,38,87,610	-	13,73,16,465	2,00,69,182	40,61,253	-	2,41,30,435	11,31,86,030	6,33,59,6
	Sub Note:											

- 1) Company had started its plant at Lunej, Khambhat in July, 2014 in a premise which was taken on rent. Initially, the promoters of the company were intending to purchase the whole plant including land & building but there was problem in the clearance of title deed. Therefore, the company entered into a rent agreement with the seller for using the said premise for a period of 11 months and to acquire the plant later on when the title is cleared in the name of the seller. The company invested approximately Rs. 3.00 Crores in plant & machineries for commencing its business activities. As the seller could not clear property title in his name even after completion of a year and it was apparent that seller was delaying the sale process unnecessarily, Company decided to leave the project and shut down plant. Company carried out its last transaction in June 2015 and since then Company has neither done any manufacturing nor carried out any sale transaction in business. During period from July 2014 to June 2015, company made total turnover of Rs. 83.29 Lacs (approx) and Company realize the amount of Rs. 74 Lacs (approximately). At present plant is in the possession of Land Owner and Company is planning to sold out its all assets related with plant as it is not viable for t company to do the business. In June 2015 plant possession was taken by the land owner and stocks of Rs. 9.00 Lacs (approximately) were lying in the factory. At present plant is not working but company is regularly filing its Excise Return.

Particulars	As At 31-Mar-19	As At 31-Mar-18
	Amount In Rs.	Amount In Rs.
Non-Trade Investments (Valued at cost unless stated otherwise)		
Investments in equity Instruments (Unquoted) - In Others		
Investments in other Indian Companies Equity Instruments		
Unquoted Non-Trade (Sub Note : 1)	5,16,20,000	5,16,20,000
TOTAL Rs. :	5,16,20,000	5,16,20,000

Sub Note : 1

The Company has invested Rs.51,620,000/- in its wholly owned subsidiary i.e. Sagardeep Engineers Private Limited.

Investments in Equity Instruments

Sr. No.	Name of the Company	Quoted / Unquoted	Classification
1	Sagardeep Engineers Private Limited	Unquoted	Subsidiary

13 Loans and Advances:

Particulars	As At 31-Mar-19		As At 31-Mar-18	
	Amount In Rs.		Amount In Rs.	
	Long-Term	Short-Term	Long-Term	Short-Term
Security Deposit				
Unsecured Considered good (Sub Note : 1)	15,98,680	-	18,34,570	-
	15,98,680	-	18,34,570	-
Loans and advances to related parties				
Secured considered good	-	-	-	-
	-	-	-	-
Other Loans and Advances				
GST / Cenvat Receivable (Secured)	-	77,61,069	-	68,67,985
Deposit with Government (Sub Note: 2)	-	38,13,000	-	30,33,000
Other Advance to outsiders (Sub Note : 3)	-	5,23,04,722	-	3,12,08,213
Other Receivables	-	50,484	-	-
	-	6,39,29,275	-	4,11,09,198

TOTAL Rs. :	15,98,680	6,39,29,275	18,34,570	4,11,09,198
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Sub Note : 1

Security deposit given includes deposit with Uttar Gujarat Vij Company Limited, Sabarmati Gas Limited and Torrent Power Limited.

Sub Note : 2

Deposit with government includes advances made under VAT Appeal made under Gujarat VAT Act.

Sub Note : 3

Other Advances given includes advances made to outsiders. The Interest rate is 12% p.a. and no security have been taken against the same.

14 Inventories:

Particulars	As At 31-Mar-19	As At 31-Mar-18
	Amount In Rs.	Amount In Rs.
Valued at Cost or NRV whichever is Less		
Raw Material	4,95,66,366	4,15,14,415
Finished Goods	1,15,20,362	1,28,81,579
Traded Goods	71,482	75,000
Work In Progress	8,12,111	14,35,554
TOTAL Rs. :	6,19,70,321	5,59,06,548

Sub Note: 1

Inventories as on March 31, 2019 has been taken as certified by management.

15 Trade Receivables:

Particulars	As At 31-Mar-19	As At 31-Mar-18
	Amount In Rs.	Amount In Rs.
Unsecured and considered good		
Exceeding six months	62,71,908	-
Others	8,71,17,915	15,04,19,101
TOTAL Rs. :	9,33,89,823	15,04,19,101

Sub Note:

Amounts receivable from Debtors as on March 31, 2019 taken as certified by management and considered good.

16 Cash and Cash Equivalent:

Particulars	As At 31-Mar-19	As At 31-Mar-18
	Amount In Rs.	Amount In Rs.
Balance with Banks	1,39,732	1,43,458
Fixed Deposits with Banks	14,50,824	13,67,296
Cash In Hand	1,18,709	2,27,528
TOTAL Rs. :	17,09,265	17,38,282

Sub Note: 1

Cash in hand is taken as certified by the management as on March 31, 2019.

17 Short Term Loans and Advances:

Particulars	As At 31-Mar-19	As At 31-Mar-18
	Amount In Rs.	Amount In Rs.
Short Term Loans and Advances - (Note : 13)	6,39,29,275	4,11,09,198
TOTAL Rs. :	6,39,29,275	4,11,09,198

Sub Note : 1

Deposit with government includes advances made under VAT Appeal made under Gujarat VAT Act.

Sub Note : 2

Other Advances given includes advances made to outsiders. The Interest rate is 12% p.a. and no security have been taken against the same.

18 Other Current Assets:

Particulars	As At 31-Mar-19	As At 31-Mar-18
	Amount In Rs.	Amount In Rs.
Advance to Suppliers (Sub Note: 1)	2,90,44,588	3,20,98,581
Interest Receivables (Sub Note: 2)	7,65,933	-
Income Tax Refund Receivables	1,30,876	8,93,406
Prepaid Expenses (Sub Note: 3)	78,516	59,692

TOTAL Rs. :	3,00,19,913	3,30,51,679
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Sub Note: 1

Advance to supplier is taken as certified by the management. No security have been given against the same.

Sub Note: 2

Interest receivables is on loan given to subsidiary company, without any security.

Sub Note: 2

Prepaid expenses includes Prepaid Insurance, Memembership, Interenet etc.

19 Revenue from Operations:

Particulars	For the FY 2018-19	For the FY 2017-18
	Amount In Rs.	Amount In Rs.
Sale of Products		
Revenue from sale of products	60,12,61,578	62,63,25,559
Sale of Services		
Revenue from Job Work	3,18,256	1,07,404
Other operating Revenues		
Packing and Forwarding Quality Claim	9,46,195	6,80,818
	-	
Gross Revenue from Operations	60,25,26,029	62,71,13,781
Less:		
Excise Duty / GST	9,16,39,017	30,54,386
Net Revenue from Operations	51,08,87,012	62,40,59,395

20 Other Income:

Particulars	For the FY 2018-19	For the FY 2017-18
	Amount In Rs.	Amount In Rs.
Interest Income		
	54,61,149	8,48,892
	54,61,149	8,48,892

Other Non-Operating Income		
IPO Subsidy Income		5,00,000
Gain / Loss on Foreign Exchange		9,78,890
Rent Income	3,77,254	
TOTAL Rs. :	58,38,403	23,27,782

21 Cost of Material Consumed:

Particulars	For the FY 2018-19	For the FY 2017-18
	Amount In Rs.	Amount In Rs.
Inventory at the beginning		
Raw Material	4,15,14,415	2,35,14,767
Add: Purchases		
Raw Material	42,25,33,465	35,81,76,375
Less: Inventory at the end		
Raw Material	4,95,66,366	4,15,14,415
TOTAL Rs. :	41,44,81,514	34,01,76,727

22 Purchase of Stock-In-Trade / Labour:

Particulars	For the FY 2018-19	For the FY 2017-18
	Amount In Rs.	Amount In Rs.
Purchase of Stock-In-Trade	3,20,16,866	24,73,46,465
Labour Purchase	26,45,471	3,46,299
TOTAL Rs. :	3,46,62,337	24,76,92,764

23 Changes In Inventories:

Particulars	For the FY 2018-19	For the FY 2017-18
	Amount In Rs.	Amount In Rs.
Inventory at the end of the year		
Finished Goods	1,15,20,362	1,28,81,579
Work-In-Progress	8,12,111	14,35,554
Traded Goods	71,482	75,000
	1,24,03,955	1,43,92,133
Inventory at the beginning of the year		
Finished Goods	1,28,81,579	32,93,870
Work-In-Progress	14,35,554	46,32,500
Traded Goods	75,000	2,00,000
	1,43,92,133	81,26,370
(Increase)/Decrease in Inventories		
Finished Goods	13,61,217	(95,87,709)
Work-In-Progress	6,23,443	31,96,946
Traded Goods	3,518	1,25,000
TOTAL Rs. :	19,88,178	(62,65,763)

24 Employee Benefit Expenses:

Particulars	For the FY 2018-19	For the FY 2017-18
	Amount In Rs.	Amount In Rs.
Salaries and Wages		
Bonus Expenses	3,35,224	2,93,760
Director's Remuneration	18,00,000	22,50,000
Salary and Wages	55,61,078	37,50,174
	76,96,302	62,93,934
Contribution to Provident Fund and other Funds		
Contribution to Provident Fund and other Funds	83,348	60,831
	83,348	60,831
Staff Welfare Expenses	51,298	50,602
TOTAL Rs. :	78,30,948	64,05,367

25 Finance Costs:

Particulars	For the FY 2018-19	For the FY 2017-18
	Amount In Rs.	Amount In Rs.
Interest Expenses		
Interest on Short-Term Loans from Banks	89,11,485	82,33,170
Interest on Others	39,716	5,454
Interest on Long-Term Loans from Banks	73,101	1,52,278
	90,24,302	83,90,902
Other Borrowing Costs		
Other Borrowing Costs	2,04,352	4,31,076
	2,04,352	4,31,076
TOTAL Rs. :	92,28,654	88,21,978

26 Other Expenses:

Particulars	For the FY 2018-19	For the FY 2017-18
	Amount In Rs.	Amount In Rs.
Application expenses	2,65,000	-
Annual Listing Expenses	2,54,904	-
Bad Debts Expenses	-	6,38,594
Business & Sales Promotion Expenses	36,961	16,000
Canteen Expenses	2,36,207	1,37,356
Clearing and Forwarding Expenses	-	1,24,675
Custom Duty Expenses	-	1,05,752
Factory Expenses	6,35,765	4,52,861
Freight Expenses	6,68,027	6,60,532
Income Tax Expenses	8,703	-
Indirect Duty Expenses	-	3,79,028
Insurance Expenses	86,116	2,08,409
Labour Expenses	1,28,915	3,27,175
Legal & Professional Expenses (including statutory auditor's remuneration)	17,37,662	6,62,817
Loss of goods by Theft	-	9,18,891
Membership Expenses	-	1,47,500
Municipal Tax Expenses	-	32,723
Office Expenses	1,36,296	59,362
Postage & Courier Expenses	2,148	6,538
Power & Fuel Expenses	1,29,99,486	98,83,273
Printing & Stationary Expenses	28,346	27,340
Repairing & Maintenance Expenses	7,00,553	4,33,944
ROC Expenses	6,686	10,790
Security Expenses		

Store Purchase Expenses	2,10,124	1,76,890
Sundry Balances written off	28,84,287	22,11,167
Telephone Expenses	28,246	29,450
Travelling Expenses	24,821	1,14,920
	1,307	16,814
TOTAL Rs. :	2,10,80,560	1,77,82,801

27 Earning Per Share:

Particulars	As At 31-Mar-19		As At 31-Mar-18	
	Amount In Rs.		Amount In Rs.	
	Before Extra Ordinary Items	After Extra Ordinary Items	Before Extra Ordinary Items	After Extra Ordinary Items
Basic				
Profit after Tax (A)	1,72,89,984	1,72,89,984	54,53,047	54,53,047
Weighted average no. of shares outstanding (B)	1,13,71,600	1,13,71,600	1,13,71,600	1,13,71,600
Shares issued under IPO				
Basic EPS (A)/(B)	1.52	1.52	0.48	0.48
Diluted EPS (A)/(B)	1.52	1.52	0.48	0.48
Face Value per Share	10.00	10.00	10.00	10.00

28 Trade Receivables, Trade Payables, Loans & Advances, Cash on Hand has been taken at Book Value subject to confirmations and reconciliation.

29 Loans and Advances are considered good in respect of which company does not hold any security other than the personal guarantee of persons.

30 Excise Duty has not taken into account for valuation of finished goods looking at factory site in view of accounting policy. The same has no impact on statement of Profit & Loss.

31 Related Party Disclosures:

31.1 Related Parties & their Relationship

As per AS 18, the disclosures of transactions with the related parties are given below:

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

Sr. No.	Name of Related Parties ^{##}	Relationship
(i)	Satish Asamal Mehta	Managing Director
(ii)	Jayesh Asamal Mehta	Director
(iii)	Sagardeep Engineers Private Limited	Wholly Owned Subsidiary

31.2 Transactions with Related Parties

Particulars	Nature of Transaction	Amount (In Rs.)
Satish Asamal Mehta	Director Remuneration	9,00,000
Jayesh Asamal Mehta	Director Remuneration	9,00,000
Sagardeep Engineers Private Limited	Interest Income	851,037

^{##}Only those related party names are mentioned with whom transactions have took place during the year.

Balances Payable to related parties are as follows:

Name of the related party	As at 31 st March, 2019
Sagardeep Engineers Private Limited	2,965,933

Balances Payable to related parties are as follows:

Name of the related party	As at 31 st March, 2019
Satish Asamal Mehta	52,408

32 All assets and Liabilities are presented as Current or Non-Current as per criteria set out in Schedule - III to the Companies Act, 2013 as notified by Ministry of Corporate Affairs. Based on the nature of operation of the company and realization from the trade receivables, the company has ascertained its operating cycle of less than 12 months. Accordingly 12 months period has been considered for the purpose of Current / Non Current classification of assets and liabilities.

33 The SSI Status of the creditors is not known to the company; hence the information is not given.

34 Segment Reporting:

The Company has started the new business segment but the same is not fulfilling the requirement specified under "Reportable Segment" as per the AS-17 Segment Reporting. So the Company is not liable to disclose the same.

35 Payment to Auditor as:

Sr. No.	Auditor	2018-19	2017-18
i)	Statutory Audit	1,50,000	1,50,000
ii)	Tax Audit	40,000	40,000

36 Previous year's figures have been regrouped and rearranged wherever necessary.

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

Piyush J. Shah
Partner
M.No. : 108670

Place : Ahmedabad
Date : 30th May 2019

For SagarDeep Alloys Limited

Satish Ashmal Mehta
Managing Director
DIN - 01958984

Jayesh Ashmal Mehta
Director
DIN - 02156140

Krishnakant Somani
Chief Financial Officer

Nayan Pitroda
Company Secretary

Independent Auditors' Report

**TO,
THE MEMBERS OF
SAGARDEEP ALLOYS LIMITED**

Opinion

We have audited the accompanying consolidated financial statements of **SAGARDEEP ALLOYS LIMITED** ("the Company"), which comprise the Balance Sheet as at **31st March, 2019**, the Profit and Loss Statement, the Cash Flow Statement for the Period ended and a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at **31st March, 2019** and its profit and its cash flows for the year/period ended on that date.

Basis of Our Opinion

We conducted our audit in accordance with the standard 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 ethics issued by the institute of chartered accountants of India together with ethical requirements that are relevant to our audit of financial statement under the provisions of the companies act, 2013 and rules there under, and we have fulfilled our ethical responsibilities in accordance with these requirements and the code of ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit 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 separate opinion on these matters.

MANAGEMENT'S RESPONSIBILITY FOR THE CONSOLIDATED 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 consolidated financial statements that give a true and fair view of the financial position, financial performance 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, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were

operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

AUDITORS' RESPONSIBILITY

Our responsibility is to express an opinion on these consolidated financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatements.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's directors, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

As required by Section 143(3) of the Act, we report that:

- k) 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;
- l) 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.
- m) the balance sheet, the statement of profit and loss and the cash flow statement dealt with by this Report are in agreement with the books of account;
- n) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
- o) On the basis of the written representations received from the directors as on 31stMarch, 2019, taken on record by the Board of Directors, none of the directors is disqualified as on 31stMarch, 2019, from being appointed as a director in terms of Section 164 (2) of the Act.
- p) 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"; and
- q) With respect to the other matters included in the auditor's report and to best of our information

and according to the explanation given to us.

4. The company has disclosed the impact of pending litigation on its financial position in its financial statement, if any.
5. The company has made provision, as required under the applicable law or Accounting Standards, for material foreseeable losses, if any, on long term contracts including derivative contracts.
6. There has been no delay in transferring amounts, required to be transferred, to the investor's education and protection fund by the company, if any.

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

Piyush J. Shah
Partner
M. No: 108670
Place: Ahmedabad
Date: 30th May, 2019

Sagardeep Alloys Limited

Consolidated Balance Sheet as at 31st March, 2019

Particulars	Note	Amount In Rs. 31-Mar-19	Amount In Rs. 31-Mar-18
I. EQUITY AND LIABILITIES			
1 Shareholders' funds			
(a) Share capital	02	10,73,81,000	10,73,81,000
(b) Reserves and surplus	03	14,64,55,075	12,95,71,095
		25,38,36,075	23,69,52,095
2 Share application money pending allotment			
3 Non-current liabilities			
(a) Long-term borrowings	04	1,04,75,978	1,24,49,811
(b) Deferred Tax Liability (Net)	05	60,47,414	61,14,277
(c) Long Term Provisions	06	-	-
(d) Other Non current liabilities		-	-
		1,65,23,392	1,85,64,088
4 Current liabilities			
(a) Short Term Borrowings	07	9,59,59,042	9,69,36,927
(b) Trade payables	08	9,07,65,076	9,36,49,204
(c) Other Current Liabilities	09	5,34,487	9,26,073
(d) Short term Provisions	10	27,94,256	3,11,756
		19,00,52,861	19,18,23,960
		46,04,12,328	44,73,40,143
II. ASSETS			
1 Non-current assets			
(a) Fixed assets	11		
(i) Tangible assets		6,06,55,005	6,06,41,706
(ii) Intangible assets			
(iii) Capital work-in-progress		8,65,76,978	4,02,21,348
(iv) Intangible assets under development			
(b) Non-current Investments		-	-
(c) Long - Term Loans and Advances	12	43,68,338	46,04,228
(d) Other Non-current Assets		-	-
		15,16,00,321	10,54,67,282
2 Current assets			
(a) Inventories	13	6,19,70,321	5,58,69,427
(b) Trade receivables	14	15,17,04,831	20,96,40,780
(c) Cash and cash equivalents	15	17,50,251	19,31,726
(d) Short-term loans and advances	16	6,39,29,275	4,11,09,198

(e) Other current assets	17	2,94,57,329	3,33,21,730
		30,88,12,007	34,18,72,861
		46,04,12,328	44,73,40,143

Summary of significant accounting policies 1 to 36

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

As per our report of even date

For Piyush J. Shah & Co.

Chartered Accountants

FRN : 121172W

Piyush J. Shah

Partner

M.No. : 108670

Place : Ahmedabad

Date : 30th May 2019

For SagarDeep Alloys Limited

Satish Ashmal Mehta

Managing Director

DIN - 01958984

Jayesh Ashmal Mehta

Director

DIN - 02156140

Krishnakant Somani

Chief Financial Officer

Nayan Pitroda

Company Secretary

Sagardeep Alloys Limited

Consolidated Statement of Profit and loss for the year ended 31stMarch, 2019

Particulars	Note	Amount In Rs. 31-Mar-2019	Amount In Rs. 31-Mar-2018
I. Revenue From Operations			
Sales	18	51,08,87,012	62,40,59,395
		51,08,87,012	62,40,59,395
II. Other Income	19	66,84,403	24,19,582
III. Total Revenue (I + II)		51,75,71,415	62,64,78,977
IV. Expenses:			
Cost of materials consumed	20	41,44,81,514	34,01,76,727
Purchase of Stock In Trade	21	3,46,62,337	24,76,92,764
Changes in Inventories	22	19,51,057	(62,65,763)
Employee benefits expenses	23	78,30,948	64,05,367
Finance costs	24	1,00,80,548	88,23,230
Depreciation and amortization expense			
(i) Depreciation for the year		42,18,681	41,16,788
(ii) Preliminary Expenses W/off		-	-
Other expenses	25	2,11,69,260	1,82,02,460
Total expenses		49,43,94,345	61,91,51,573
V. Profit before exceptional and extraordinary items		2,31,77,070	73,27,404
VI. Exceptional items			
Prior Period Expenses		-	28,478
VII. Profit before extraordinary items and tax (V - VI)		2,31,77,070	72,98,926
VIII. Extraordinary Items		-	-
IX. Profit before tax (VII- VIII)		2,31,77,070	72,98,926
X. Tax expense:			
(1) Current tax		63,42,765	21,73,602
(2) Deferred tax		(66,863)	2,81,306
(3) Short / (Excess) Provision		17,188	1,28,736
XI. Profit (Loss) for the period		1,68,83,980	47,15,282
XII. Earnings per equity share:	26		
(1) Basic			
(i) Before Extraordinary Items		1.57	0.44
(ii) After Extraordinary Items		1.57	0.44

(2) Diluted		
(i) Before Extraordinary Items	1.57	0.44
(ii) After Extraordinary Items	1.57	0.44

Summary of significant accounting policies **1 to 36**

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

As per our report of even date

For Piyush J. Shah & Co.

Chartered Accountants

FRN : 121172W

Piyush J. Shah

Partner

M.No. : 108670

Place : Ahmedabad

Date : 30th May 2019

For SagarDeep Alloys Limited

Satish Ashmal Mehta

Managing Director

DIN - 01958984

Jayesh Ashmal Mehta

Director

DIN - 02156140

KrishnakantSomani

Chief Financial Officer

Nayan Pitroda

Company Secretary

Sagardeep Alloys Limited

Consolidated Cash Flow Statement for the year ended 31st March, 2019

PARTICULARS	Amount In Rs. 31-Mar-2019	Amount In Rs. 31-Mar-2018
Cash flow from operating activities:		
Net profit before tax as per statement of profit and loss	2,31,77,070	72,98,926
Adjusted for:		
Depreciation & amortization	42,18,681	41,16,788
Depreciation written back	-	-
Interest income on loans & advances given	(54,61,149)	(8,48,892)
Loss on sale of fixed assets	-	3,70,834
Net (gain) / loss on Foreign Exchanges	-	9,78,890
Interest & finance costs	1,00,80,548	88,23,230
Operating cash flow before working capital changes	3,20,15,150	2,07,39,776
Adjusted for:		
(Increase)/ decrease in Inventories	(61,00,894)	(2,42,65,411)
(Increase)/ decrease in trade receivables	5,79,35,949	15,71,66,560
Increase/ (decrease) in trade payables	(28,84,128)	(13,08,80,896)
Increase/ (decrease) in other current assets	38,64,401	1,36,48,452
Increase/ (decrease) in other current liabilities	(3,91,586)	(4,35,221)
Increase/ (decrease) in long term provisions	-	-
Increase/ (decrease) in short term provisions	(38,60,265)	(8,45,109)
Cash generated from / (used in) operations	8,05,78,627	3,51,28,151
Income taxes paid	(17,188)	(12,00,000)
Net cash generated from/ (used in) operating activities [A]	8,05,61,439	3,39,28,151
Cash flow from investing activities:		
Purchase of fixed assets	(5,38,87,610)	(26,47,946)
Sale of fixed assets	33,00,000	32,00,000
Interest income on loans & advances given	54,61,149	8,48,892
(Increase)/ decrease in long term loans and advances	2,35,890	(20,000)
(Increase)/ decrease in short term loans and advances	(2,28,20,077)	(2,72,85,345)
Net cash flow from/(used) in investing activities [B]	(6,77,10,648)	(2,59,04,399)
Cash flow from financing activities:		
Increase in / Repayment of Long-Term Borrowings	(19,73,833)	(88,96,539)
Increase in / Repayment of Short-Term Borrowings	(9,77,885)	53,38,660
Interest & finance costs	(1,00,80,548)	(88,23,230)
Net (gain) / loss on Foreign Exchanges	-	(9,78,890)

Proceeds from the Issue of Shares	-	-
Net cash flow from/(used in) financing activities [C]	(1,30,32,266)	(1,33,59,999)
Net increase/(decrease) in cash & cash equivalents [A+B+C]	(1,81,475)	(53,36,247)
Cash & cash equivalents as at beginning of the period	19,31,726	72,67,973
Cash & cash equivalents as at end of the period (Refer Note : 15)	17,50,251	19,31,726

Summary of significant accounting policies 1 to 36

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

As per our report of even date

For Piyush J. Shah & Co.

Chartered Accountants

FRN : 121172W

Piyush J. Shah

Partner

M.No. : 108670

Place : Ahmedabad

Date : 30th May 2019

For SagarDeep Alloys Limited

Satish Ashmal Mehta

Managing Director

DIN - 01958984

Jayesh Ashmal Mehta

Director

DIN - 02156140

Krishnakant Somani

Chief Financial Officer

Nayan Pitroda

Company Secretary

01 Significant Accounting Policies on Consolidated Financial Statements

(i) Basis of Accounting Policy

The Consolidated Financial statements have been prepared to comply with the Generally Accepted Accounting Principles in India (Indian GAPP), including the Accounting standards referred to in Section 133 of the Companies Act, 2013 or Section 211 (3C) of the Companies Act, 1956.

The financial statements are prepared on accrual basis under the historical cost convention. The financial statements are presented in Indian rupees rounded off to the nearest rupee.

(ii) Revenue Recognition

Revenue is primarily derived from sale of finished goods to the customers. Revenue is recognized only when risks and rewards incidental to ownership are transferred to the customer, it can be reliably measured and it is reasonable to expect ultimate collection. Revenue from operations includes sale of goods.

Interest income is recognized on a time proportion basis taking into account the amount outstanding and the interest rate applicable.

Discount claims, rebates and retirement benefits which cannot be determined with certainty during the year, are recognized on receipt basis.

(iii) Fixed Assets

Tangible Assets are stated at cost net of recoverable taxes, trade discounts and rebates, less accumulated depreciation and impairment loss, if any. The cost of Tangible Assets comprises its purchase price, borrowing cost and any cost directly attributable to bringing the asset to its working condition for its intended use.

Subsequent expenditures related to an item of Tangible Asset are added to its book value only if they increase the future benefits from the existing asset beyond its previously assessed standard of performance.

(iv) Depreciation

Upto March 31st, 2014 depreciation on fixed assets is provided on straight line method (SLM) at the rate and manner prescribed in schedule XIV of the Companies Act, 1956 over their useful life. w.e.f April 1st, 2014 depreciation is provided based on useful life of asset as prescribed in schedule II of Companies Act 2013 except in respect of the assets mentioned in Sub note (2) to the Note-12 forming part of Notes to accounts.

Depreciation on additions to the assets and the assets sold or disposed off, during the year is provided on prorata basis, at their respective useful life or rate of depreciation as prescribed with reference to the date of acquisition / installation or date of sale / disposal.

(v) Investments

Investments are stated at cost.

(vi) Inventories

Inventories are valued at lower of cost or net realizable value. Inventories are taken as valued and certified by the management of the company. The valuation is based on Standard Cost.

(vii) Excise Duty / GST

Excise Duty / GST is charged on ad-valorem basis and is accounted for when the goods are cleared from factory site.

(viii) Provision for Current Tax and Deferred Tax

Provision for current tax is made after taking into consideration benefits admissible under the provisions of the Income Tax Act, 1961.

Deferred tax resulting from "timing difference" between book and taxable profit is accounted for using the tax rates and laws that have been enacted or substantively enacted as on the balance sheet date. The deferred tax assets are recognized and carried.

(ix) Provisions, Contingent Liabilities and Contingent Assets

Provision is recognized in the accounts when there is a present obligation as a result of past event(s) and it is probable that an outflow of resources will be required to settle the obligation and a reliable estimate can be made. Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

Contingent liabilities are disclosed unless the possibility of outflow of resources is remote, if any.

Contingent assets are neither recognized nor disclosed in the financial statements.

02 Share Capital:

Particulars	As At 31-Mar-19	As At 31-Mar-18
	Amount In Rs.	Amount In Rs.
Authorized : Equity shares 20,000,000 of Rs.10 Each	20,00,00,000	20,00,00,000
Issued, Subscribed and Paid up : Equity shares 10,738,100 of Rs.10 Each	10,73,81,000	10,73,81,000
TOTAL Rs. :	10,73,81,000	10,73,81,000

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

Particulars	As At 31-Mar-19		As At 31-Mar-18	
	No. of shares	Amount In Rs.	No. of shares	Amount In Rs.
Equity Shares at the beginning of the year	1,07,38,100	10,73,81,000	1,07,38,100	10,73,81,000
Equity Shares at the end of the year	1,07,38,100	10,73,81,000	1,07,38,100	10,73,81,000

Rights, Preferences and Restrictions attached to shares
Equity Shares

The company has only one class of Equity having a par value ` 10.00 per share. Each Shareholder is eligible for one vote per share held. The dividend proposed by the board of directors, if any is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in the case of Interim Dividend.

In the event of liquidation, the Equity shareholders are eligible to receive the remaining assets of the company after distribution of all preferential amounts, in proportion to their shareholding.

2.2 The Details of Shareholder holding more than 5% Shares:

Name Of Shareholder	As At 31-Mar-19		As At 31-Mar-18	
	No. Of Shares	% Held	No. Of Shares	% Held
Asamalji S. Mehta	14,66,950	13.66	14,66,950	13.66
Ashok Devji Parmar	6,60,000	6.15	6,60,000	6.15
Jayesh A. Mehta	17,51,500	16.31	17,51,500	16.31
Satish A. Mehta	15,78,550	14.70	15,78,550	14.70
Ugamdevi A. Mehta	10,40,600	9.69	10,40,600	9.69
	64,97,600	60.51	64,97,600	60.51

Sub Note: 1

For calculation of percentage of holding the equity share holding of subsidiary company has been excluded.

03 Reserves and Surplus:

Particulars	As At 31-Mar-19	As At 31-Mar-18
	Amount In Rs.	Amount In Rs.
Profit and Loss Account		
Opening Balance	4,87,88,869	4,40,73,587
Add: Profit for the year	1,68,83,980	47,15,282
Closing Balance	6,56,72,849	4,87,88,869
Securities Premium		
Opening Balance	7,78,03,216	7,78,03,216
Add: Addition during the year	-	-
Less: Deletion during the year	-	-
Closing Balance	7,78,03,216	7,78,03,216
Capital Reserve		
Opening Balance	29,79,010	29,79,010
Add: Addition during the year	-	-

Less: Deletion during the year	-	-
Closing Balance	29,79,010	29,79,010
TOTAL Rs. :	14,64,55,075	12,95,71,095

04 Long-Term Borrowings:

Particulars	As At 31-Mar-19		As At 31-Mar-18	
	Amount In Rs.		Amount In Rs.	
	Non - Current	Current Maturities	Non - Current	Current Maturities
Loans and advances from related party and others				
Unsecured Loans			-	-
Loan from inter corporates (Sub Note: 1)	52,408	-	1,21,92,940	-
	1,04,23,570	-		
	1,04,75,978	-	1,21,92,940	-
Other Loans and advances				
Loans taken for vehicles - Secured (Sub Note : 2)	-	2,56,871	2,56,871	7,96,539
	-	2,56,871	2,56,871	7,96,539
The above amounts includes				
Secured Borrowings	-	2,56,871	2,56,871	7,96,539
Unsecured Borrowings	1,04,75,978	-	1,21,92,940	-
Amount Disclosed under the head "Other Current Liabilities" (Note No: 9)	-	(2,56,871)	-	(7,96,539)
TOTAL Rs. :	1,04,75,978	-	1,24,49,811	-

Sub Note : 1

The subsidiary company has availed loan from intercorporate. The repayment terms has not been decided.

Sub Note : 2

(i) Vehicle Loan taken from HDFC Bank Limited amounting to Rs.2,100,000/- repayable in 60 installments of Rs.44,750/- starting from August 05, 2014.

(ii) Vehicle Loan taken from HDFC Bank Limited amounting to Rs.1,300,000/- repayable in 60 installments of Rs.27,720/- starting from July 05, 2014.

05 Deferred Tax Liabilities:

Particulars	As At 31-Mar-19	As At 31-Mar-18
	Amount In Rs.	Amount In Rs.
Deferred tax liability Related to Fixed Assets	59,75,082	60,33,937
Deferred tax liabilities/assets Related to Preliminary Expenses	72,332	80,340
Gross Deferred Tax Liability	60,47,414	61,14,277
Net Deferred Tax Liability	60,47,414	61,14,277

06 Long-Term Provisions:

Particulars	As At 31-Mar-19		As At 31-Mar-18	
	Amount In Rs.		Amount In Rs.	
	Long-Term	Short-Term	Long-Term	Short-Term
Other Provisions Expenses Payable	-	14,266	-	4,59,894
TDS Payable	-	2,06,765	-	12,541
TOTAL Rs. :	-	2,21,031	-	4,72,435

07 Short-Term Borrowings:

Particulars	As At 31-Mar-19	As At 31-Mar-18
	Amount In Rs.	Amount In Rs.

Loans Repayable on Demands - From Banks		
Working Capital Loans - Secured (Sub Note -1)	9,59,59,042	9,69,36,927
	9,59,59,042	9,69,36,927
The above amount includes		
Secured Borrowings	9,59,59,042	9,69,36,927
TOTAL Rs. :	9,59,59,042	9,69,36,927

Sub Note : 1

i) AXIS Bank C.C. outstanding as on March 31, 2019 is secured against Hypothecation of all current assets of the company (present and future), Plant & Machinery, Furniture and Fixtures, office equipment and other class of movable assets except vehicles financed by other banks.

ii) Collateral Security by Equitable mortgage of Factory Land & Building situated at block no. 2070, Village - Santej, Taluka Kalol, District-Gandhinagar

iii) Interest rate on C.C. is 10.00% and directors have given their personal guarantee for the same.

08 Trade Payables:

Particulars	As At	As At
	31-Mar-19	31-Mar-18
	Amount In Rs.	Amount In Rs.
Sundry Creditors for Goods	5,60,22,374	9,14,26,655
Sundry Creditors for Capital Goods	3,12,70,000	-
Sundry Creditors for Expenses	34,72,702	22,22,549
TOTAL Rs. :	9,07,65,076	9,36,49,204

Sub Note:

Trade Payable as on March 31, 2019 is taken as certified by management. No security have been given for the same.

09 Other Current Liabilities:

Particulars	As At 31-Mar-19	As At 31-Mar-18
	Amount In Rs.	Amount In Rs.
Current Maturities of Long Term Loans (Note : 4) (Sub Note : 1)	2,56,871	7,96,539
	2,56,871	7,96,539
Other Payables		
Payable to Directors	-	1,200
Deposits	30,000	-
Advance received from customers (Sub Note : 2)	2,47,616	1,28,334
	2,77,616	1,29,534
TOTAL Rs. :	5,34,487	9,26,073

Sub Note : 1

(i) Vehicle Loan taken from HDFC Bank Limited amounting to Rs.2,100,000/- repayable in 60 installments of Rs.44,750/- starting from August 05, 2014.

(ii) Vehicle Loan taken from HDFC Bank Limited amounting to Rs.1,300,000/- repayable in 60 installments of Rs.27,720/- starting from July 05, 2014.

Sub Note : 2

Advanced received from customer as on March 31, 2019 is taken as certified by the management. No security have been given for the same.

10 Short-Term Provisions:

Particulars	As At 31-Mar-19		As At 31-Mar-18	
	Amount In Rs.		Amount In Rs.	
	Long-Term	Short-Term	Long-Term	Short-Term
Other Provisions (Sub Note: 1)				
Expenses Payable	-	14,266	-	4,59,894
Provision for Tax	-	25,73,225	-	(1,60,679)
TDS Payable	-	2,06,765	-	12,541
TOTAL Rs. :	-	27,94,256	-	3,11,756

Sub Note: 1

Short-Term provisions as on March 31, 2019 includes amount provided based on the management estimation.

11	Fixed Assets as at 31st March 2019												
				Gross Block				Accumulated Depreciation / Amortization				Net Block	Net Block
	Description	Useful life	Shift	Balance	Additions	Deletions	Balance	Balance	Provided	Deletions	Balance	Balance	Balance
	of	(In Years)	Operate d	as at	during	during	as at	as at	during	during	as at	as at	as at
	Assets			01-Apr-18	the period	the period	31-Mar-19	01-Apr-18	the period	the period	31-Mar-19	31-Mar-19	31-Mar-18
A	Tangible Assets												
(a)	Own Assets												
	Buildings												
	Factory at Santej	30.00	Single	62,12,006	6,79,963	-	68,91,969	16,39,198	2,01,294	-	18,40,492	50,51,477	45,72,80
	BandhuSamaj	30.00	Single	78,29,750	4,534	-	78,34,284	14,91,803	2,64,238	-	17,56,041	60,78,243	63,37,94
	Supath 2 - Complex	30.00	Single	-	5,05,350	-	5,05,350	-	10,610	-	10,610	4,94,740	
	Shed at Rakhial	30.00	Single	11,77,190	-	-	11,77,190	2,80,174	41,805	-	3,21,979	8,55,211	8,97,01
	Golden Estate D1 to D20	60.00	Single	1,03,17,241	-	-	1,03,17,241	3,74,422	1,57,428	-	5,31,850	97,85,391	99,42,81
	Shed at Jagannath Estate	30.00	Single	1,73,610	5,68,779	-	7,42,389	27,342	14,636	-	41,978	7,00,411	1,46,26
				2,57,09,797	17,58,626	-	2,74,68,423	38,12,939	6,90,011	-	45,02,950	2,29,65,473	2,18,96,85
	Plant & Machinery												
	Plant & Machinery	15.00	Single	1,51,58,836	-	-	1,51,58,836	64,07,292	10,36,993	-	74,44,285	77,14,551	87,51,54
	Analytical Machine	15.00	Single	10,12,099	-	-	10,12,099	5,00,203	70,983	-	5,71,186	4,40,913	5,11,89
	Crane	15.00	Single	-	10,50,000	-	10,50,000	-	6,195	-	6,195	10,43,805	

Plant & Machinery - Lunej	15.00	Single	2,81,81,921	-	-	2,81,81,921	67,88,793	18,16,730	-	86,05,523	1,95,76,398	2,13,93,12
			4,43,52,856	10,50,000	-	4,54,02,856	1,36,96,288	29,30,901	-	1,66,27,189	2,87,75,667	3,06,56,56
Furniture & Fittings												
Furniture & Fixtures	10.00	Single	15,604	-	-	15,604	12,325	-	-	12,325	3,279	3,27
			15,604	-	-	15,604	12,325	-	-	12,325	3,279	3,27
Office Equipment												
Air Conditioner	5.00	Single	81,600	3,83,960	-	4,65,560	69,570	46,400	-	1,15,970	3,49,590	12,03
CCTV	10.00	Single	32,981	27,200	-	60,181	191	876	-	1,067	59,114	32,79
R O Plant	10.00	Single	-	78,000	-	78,000	-	10,101	-	10,101	67,899	
Water Cooler	10.00	Single	-	22,200	-	22,200	-	2,103	-	2,103	20,097	
Refrigerator	10.00	Single	-	1,19,600	-	1,19,600	-	16,156	-	16,156	1,03,444	
Water Dispenser	5.00	Single	14,700	-	-	14,700	13,965	-	-	13,965	735	73
Mobile Phones	5.00	Single	1,01,402	67,409	-	1,68,811	76,290	11,546	-	87,836	80,975	25,11
			2,30,683	6,98,369	-	9,29,052	1,60,016	87,182	-	2,47,198	6,81,854	70,66
Motor Vehicles												
Motor Car	8.00	Single	46,21,926	-	-	46,21,926	22,22,306	4,99,670	-	27,21,976	18,99,950	23,99,62
Other Vehicles	10.00	Single	1,28,698	-	-	1,28,698	92,265	10,917	-	1,03,182	25,516	36,43
			47,50,624	-	-	47,50,624	23,14,571	5,10,587	-	28,25,158	19,25,466	24,36,05
Computers and Data Processing Units												
Computers and		Single	4,70,191	-	-		4,47,465	-	-			

Plant & Machinery - Lunej	15.00	Single	2,81,81,921	-	-	2,81,81,921	67,88,793	18,16,730	-	86,05,523	1,95,76,398	2,13,93,12
			4,43,52,856	10,50,000	-	4,54,02,856	1,36,96,288	29,30,901	-	1,66,27,189	2,87,75,667	3,06,56,56
Furniture & Fittings												
Furniture & Fixtures	10.00	Single	15,604	-	-	15,604	12,325	-	-	12,325	3,279	3,27
			15,604	-	-	15,604	12,325	-	-	12,325	3,279	3,27
Office Equipment												
Air Conditioner	5.00	Single	81,600	3,83,960	-	4,65,560	69,570	46,400	-	1,15,970	3,49,590	12,03
CCTV	10.00	Single	32,981	27,200	-	60,181	191	876	-	1,067	59,114	32,79
R O Plant	10.00	Single	-	78,000	-	78,000	-	10,101	-	10,101	67,899	
Water Cooler	10.00	Single	-	22,200	-	22,200	-	2,103	-	2,103	20,097	
Refrigerator	10.00	Single	-	1,19,600	-	1,19,600	-	16,156	-	16,156	1,03,444	
Water Dispenser	5.00	Single	14,700	-	-	14,700	13,965	-	-	13,965	735	73
Mobile Phones	5.00	Single	1,01,402	67,409	-	1,68,811	76,290	11,546	-	87,836	80,975	25,11
			2,30,683	6,98,369	-	9,29,052	1,60,016	87,182	-	2,47,198	6,81,854	70,66
Motor Vehicles												
Motor Car	8.00	Single	46,21,926	-	-	46,21,926	22,22,306	4,99,670	-	27,21,976	18,99,950	23,99,62
Other Vehicles	10.00	Single	1,28,698	-	-	1,28,698	92,265	10,917	-	1,03,182	25,516	36,43
			47,50,624	-	-	47,50,624	23,14,571	5,10,587	-	28,25,158	19,25,466	24,36,05
Computers and Data Processing Units												
Computers and		Single	4,70,191	-	-		4,47,465	-	-			

		-				33,00,000	8,65,76,978				-	8,65,76,978	4,02,21,34
	Grand Total (A+B)	-	-	12,13,06,658	5,38,87,610	33,00,000	17,18,94,268	2,04,43,604	42,18,681	-	2,46,62,285	14,72,31,983	10,08,63,0
Sub Note:													
1)	<p>Company had started its plant at Lunej, Khambhat in July, 2014 in a premise which was taken on rent. Initially, the promoters of the company were intending to purchase the whole plant including land & building but there was problem in the clearance of title deed. Therefore, the company entered into a rent agreement with the seller for using the said premise for a period of 11 months and to acquire the plant later on when the title is cleared in the name of the seller. The company invested approximately Rs. 3.00 Crores in plant & machineries for commencing its business activities. As the seller could not clear property title in his name even after completion of a year and it was apparent that seller was delaying the sale process unnecessarily, Company decided to leave the project and shut down plant. Company carried out its last transaction in June 2015 and since then Company has neither done any manufacturing nor carried out any sale transaction in business. During period from July 2014 to June 2015, company made total turnover of Rs. 83.29 Lacs (approx) and Company realized the amount of Rs. 74 Lacs (approximately). At present plant is in the possession of Land Owner and Company is planning to sold out its all assets related with plant as it is not viable for the company to do the business. In June 2015 plant possession was taken by the land owner and stocks of Rs. 9.00 Lacs (approximately) were lying in the factory. At present plant is not working but company is regularly filing its Excise Return.</p>												

12 Loans and Advances:

Particulars	As At		As At	
	31-Mar-19		31-Mar-18	
	Amount In Rs.		Amount In Rs.	
	Long-Term	Short-Term	Long-Term	Short-Term
Security Deposit				
Unsecured Considered good (Sub Note : 1)	15,98,680	-	18,34,570	-
	15,98,680	-	18,34,570	-
Loans and advances to related parties				
Secured considered good	-	-	-	-
	-	-	-	-
Other Loans and Advances				
GST / Cenvat Receivable (Secured)	-	77,61,069	-	68,67,985
Deposit with Government (Sub Note: 2)		38,13,000		30,33,000
Other Advance to outsiders(Sub Note : 3)	27,69,658	5,23,04,722	27,69,658	3,12,08,213
Other Receivables	-	50,484	-	-
	27,69,658	6,39,29,275	27,69,658	4,11,09,198
TOTAL Rs. :	43,68,338	6,39,29,275	46,04,228	4,11,09,198

Sub Note : 1

Security deposit given includes deposit with Uttar Gujarat Vij Company Limited, Sabarmati Gas Limited and Torrent Power Limited.

Sub Note : 2

Deposit with government includes advances made under VAT Appeal made under Gujarat VAT Act.

Sub Note : 3

Other Advances given includes advances made to outsiders. The Interest rate is 12% p.a. and no security have been taken against the same.

13 Inventories:

Particulars	As At 31-Mar-19	As At 31-Mar-18
	Amount In Rs.	Amount In Rs.
Valued at Cost or NRV whichever is Less		
Raw Material	4,95,66,366	4,15,14,415
Finished Goods	1,15,20,362	1,28,81,579
Traded Goods	71,482	37,879
Work In Progress	8,12,111	14,35,554
TOTAL Rs. :	6,19,70,321	5,58,69,427

Sub Note: 1

Inventories as on March 31, 2019 has been taken as certified by management. The same have been physically verified as on March 31, 2019.

14 Trade Receivables:

Particulars	As At 31-Mar-19	As At 31-Mar-18
	Amount In Rs.	Amount In Rs.
Unsecured and considered good		
Exceeding six months	6,45,56,916	5,92,21,679
Others	8,71,47,915	15,04,19,101
TOTAL Rs. :	15,17,04,831	20,96,40,780

Sub Note:

Amounts receivable from Debtors as on March 31, 2019 taken as certified by management and considered good.

15 Cash and Cash Equivalent:

Particulars	As At 31-Mar-19	As At 31-Mar-18
	Amount In Rs.	Amount In Rs.
Balance with Banks	1,67,879	1,82,662
Fixed Deposits with Banks	14,50,824	13,67,296
Cash In Hand	1,31,548	3,81,768
TOTAL Rs. :	17,50,251	19,31,726

Sub Note: 1

Cash in hand is taken as certified by the management as on March 31, 2019.

16 Short Term Loans and Advances:

Particulars	As At 31-Mar-19	As At 31-Mar-18
	Amount In Rs.	Amount In Rs.
Short Term Loans and Advances - (Note : 13)	6,39,29,275	4,11,09,198
TOTAL Rs. :	6,39,29,275	4,11,09,198

Sub Note : 1

Deposit with government includes advances made under VAT Appeal made under Gujarat VAT Act.

Sub Note : 2

Other Advances given includes advances made to outsiders. The Interest rate is 12% p.a. and no security have been taken against the same.

17 Other Current Assets:

Particulars	As At	As At
	31-Mar-19	31-Mar-18
	Amount In Rs.	Amount In Rs.
Advance to Suppliers(Sub Note: 1)	2,90,44,588	3,21,57,581
Income Tax Refund Receivables	2,35,897	9,98,426
Receivable from Government	98,328	98,328
TCS Receivables	-	7,703
Prepaid Expenses (Sub Note: 2)	78,516	59,692
TOTAL Rs. :	2,94,57,329	3,33,21,730

Sub Note: 1

Advance to supplier is taken as certified by the management. No security have been given against the same.

Sub Note: 2

Prepaid expenses includes Prepaid Insurance, Memembership, Interenet etc.

18 Revenue from Operations:

Particulars	For the FY 2018-19	For the FY 2017-18
	Amount In Rs.	Amount In Rs.
Sale of Products		
Revenue from sale of products	60,12,61,578	62,63,25,559
Sale of Services		
Revenue from Job Work	3,18,256	1,07,404
Other operating Revenues		
Packing and Forwarding	9,46,195	6,80,818
Quality Claim	-	-
Gross Revenue from Operations	60,25,26,029	62,71,13,781
Less:		

Excise Duty / GST	9,16,39,017	30,54,386
Net Revenue from Operations	51,08,87,012	62,40,59,395

19 Other Income:

Particulars	For the FY 2018-19	For the FY 2017-18
	Amount In Rs.	Amount In Rs.
Interest Income	54,61,149	8,48,892
	54,61,149	8,48,892
Other Non-Operating Income		
IPO Subsidy Income	-	5,00,000
Gain / Loss on Foreign Exchange	-	9,78,890
Rent Income	12,23,254	91,800
TOTAL Rs. :	66,84,403	24,19,582

20 Cost of Material Consumed:

Particulars	For the FY 2018-19	For the FY 2017-18
	Amount In Rs.	Amount In Rs.
Inventory at the beginning		
Raw Material	4,15,14,415	2,35,14,767
Add: Purchases		
Raw Material	42,25,33,465	35,81,76,375
Less: Inventory at the end		
Raw Material	4,95,66,366	4,15,14,415
TOTAL Rs. :	41,44,81,514	34,01,76,727

21 Purchase of Stock-In-Trade / Labour:

Particulars	For the FY 2018-19	For the FY 2017-18
	Amount In Rs.	Amount In Rs.
Purchase of Stock-In-Trade	3,20,16,866	24,73,46,465
Labour Purchase	26,45,471	3,46,299
TOTAL Rs. :	3,46,62,337	24,76,92,764

22 Changes In Inventories:

Particulars	For the FY 2018-19	For the FY 2017-18
	Amount In Rs.	Amount In Rs.
Inventory at the end of the year		
Finished Goods	1,15,20,362	1,28,81,579
Work-In-Progress	8,12,111	14,35,554
Traded Goods	71,482	37,879
	1,24,03,955	1,43,55,012
Inventory at the beginning of the year		
Finished Goods	1,28,81,579	32,93,870
Work-In-Progress	14,35,554	46,32,500
Traded Goods	37,879	1,62,879
	1,43,55,012	80,89,249
(Increase)/Decrease in Inventories		
Finished Goods	13,61,217	(95,87,709)
Work-In-Progress	6,23,443	31,96,946
Traded Goods	(33,603)	1,25,000
TOTAL Rs. :	19,51,057	(62,65,763)

23 Employee Benefit Expenses:

Particulars	For the FY 2018-19	For the FY 2017-18
	Amount In Rs.	Amount In Rs.
Salaries and Wages		
Bonus Expenses	3,35,224	2,93,760
Director's Remuneration	18,00,000	22,50,000
Salary and Wages	55,61,078	37,50,174
	76,96,302	62,93,934
Contribution to Provident Fund and other Funds		
Contribution to Provident Fund and other Funds	83,348	60,831
	83,348	60,831
Staff Welfare Expenses		
	51,298	50,602
	51,298	50,602
TOTAL Rs. :	78,30,948	64,05,367

24 Finance Costs:

Particulars	For the FY 2018-19	For the FY 2017-18
	Amount In Rs.	Amount In Rs.
Interest Expenses		
Interest on Short-Term Loans from Banks	89,11,485	82,33,170
Interest on Others	8,90,753	5,454
Interest on Long-Term Loans from Banks	73,101	1,52,278
	98,75,339	83,90,902
Other Borrowing Costs		
Other Borrowing Costs	2,05,209	4,32,328
	2,05,209	4,32,328
TOTAL Rs. :	1,00,80,548	88,23,230

25 Other Expenses:

Particulars	For the FY 2018-19	For the FY 2017-18
	Amount In Rs.	Amount In Rs.
Application Expenses	2,65,000	-
Annual Listing Expenses	2,54,904	-
Bad Debts Expenses	28,246	6,38,594
Business & Sales Promotion Expenses	36,961	16,000
Canteen Expenses	2,36,207	1,37,356
Clearing and Forwarding Expenses	-	1,24,675
Custom Duty Expenses	-	1,05,752
Factory Expenses	6,35,765	4,52,861
Freight Expenses	6,68,027	6,60,532
Income Tax Expenses	8,703	-
Indirect Duty Expenses	-	3,79,028
Insurance Expenses	86,116	2,08,409
Labour Expenses	1,28,915	3,27,175
Legal & Professional Expenses (including statutory auditor's remuneration)	18,24,162	7,09,317
Loss of goods by Theft	-	9,18,891
Loss on sale of fixed assets	-	3,70,834
Membership Expenses	-	1,47,500
Municipal Tax Expenses	-	32,723
Office Expenses	1,36,296	59,362
Postage & Courier Expenses	2,148	6,753
Power & Fuel Expenses	1,30,01,686	98,83,343
Printing & Stationary Expenses	28,346	27,340
Repairing & Maintenance Expenses	7,00,553	4,36,682
ROC Expenses	6,686	10,790

Security Expenses	2,10,124	1,76,890
Store Purchase Expenses	28,84,287	22,11,167
Sundry Balances written off	-	28,752
Telephone Expenses	24,821	1,14,920
Travelling Expenses	1,307	16,814
TOTAL Rs. :	2,11,69,260	1,82,02,460

26 Earning Per Share:

Particulars	As At 31-Mar-19		As At 31-Mar-18	
	Amount In Rs.		Amount In Rs.	
	Before Extra Ordinary Items	After Extra Ordinary Items	Before Extra Ordinary Items	After Extra Ordinary Items
Basic				
Profit after Tax (A)	1,68,83,980	1,68,83,980	47,15,282	47,15,282
Weighted average no. of shares outstanding (B)	1,07,38,100	1,07,38,100	1,07,38,100	1,07,38,100
Shares issued under IPO				
Basic EPS (A)/(B)	1.57	1.57	0.44	0.44
Diluted EPS (A)/(B)	1.57	1.57	0.44	0.44
Face Value per Share	10.00	10.00	10.00	10.00

- 27 Trade Receivables, Trade Payables, Loans & Advances, Cash on Hand has been taken at Book Value subject to confirmations and reconciliation.
- 28 Loans and Advances are considered good in respect of which company does not hold any security other than the personal guarantee of persons.
- 29 Excise Duty has not taken into account for valuation of finished goods looking at factory site in view of accounting policy. The same has no impact on statement of Profit & Loss.

30 Related Party Disclosures:

30.1

Related Parties & their Relationship

As per AS 18, the disclosures of transactions with the related parties are given below:

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

Sr. No.	Name of Related Parties ^{##}	Relationship
(i)	Satish Asamal Mehta	Managing Director
(iii)	Jayesh Asamal Mehta	Director

30.2 Transactions with Related Parties

Particulars	Nature of Transaction	Amount (In Rs.)
Satish Asamal Mehta	Director Remuneration	9,00,000
Jayesh Asamal Mehta	Director Remuneration	9,00,000

^{##}Only those related party names are mentioned with whom transactions have taken place during the year.

31 All assets and Liabilities are presented as Current or Non-Current as per criteria set out in Schedule - III to the Companies Act, 2013 as notified by Ministry of Corporate Affairs. Based on the nature of operation of the company and realization from the trade receivables, the company has ascertained its operating cycle of less than 12 months. Accordingly 12 months period has been considered for the purpose of Current / Non Current classification of assets and liabilities.

32 The SSI Status of the creditors is not known to the company; hence the information is not given.

33 Capacity of Plant:

Class of Goods	UOM	Installed Capacity
Copper & Brass Items	MT	2400

34 Segment Reporting:

The Company has started the new business segment but the same is not fulfilling the requirement specified under "Reportable Segment" as per the AS-17 Segment Reporting. So the Company is not liable to disclose the same.

35 Payment to Auditor as:

Sr. No.	Auditor	2018-19	2017-18
i)	Statutory Audit	1,50,000	1,50,000
ii)	Tax Audit	40,000	40,000

36 Previous year's figures have been regrouped and rearranged wherever necessary.

For Piyush J. Shah & Co.

Chartered Accountants

FRN : 121172W

Piyush J. Shah

Partner

M.No. : 108670

Place : Ahmedabad

Date : 30th May 2019

For SagarDeep Alloys Limited

Satish Ashmal Mehta

Managing Director

DIN - 01958984

Jayesh Ashmal Mehta

Director

DIN - 02156140

Krishnakant Somani

Chief Financial Officer

Nayan Pitroda

Company Secretary

AOC-1

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

Part A Subsidiaries

Sr.No	Particulars	
1.	Name of Subsidiary	Sagardeep Engineers Private Limited
2.	Reporting Period	01 st April, 2018 to 31 st March, 2019
3.	Reporting Currency	INR(₹)
4.	Country	India
5.	Capital	1,43,00,000/-
6.	Reserves	Rs. 3,63,58,077/-
7.	Total Assets	Rs. 50658077/-
8.	Total Liabilities	Rs. 51191876/-
9.	Total Investment	Rs. 6475000/-
10.	Turnover/Total Income	Rs. 846000/-
11.	Profit Before Tax	(Rs. 252022/-)
12.	Provision for Taxation	Rs. 170495/-
13.	Profit after Taxation	(Rs. 422517/-)
14.	Proposed Dividend	Nil
15.	% of Shareholding	100%

For SagarDeep Alloys Limited

Satish Ashmal Mehta
Managing Director
DIN - 01958984

Krishnakant Somani
Chief Financial Officer

Jayesh Ashmal Mehta
Director
DIN - 02156140

Nayan Pitroda
Company Secretary

ATTENDANCE SLIP

Reg. Office: Plot No. 2070 , Rajnagar Patiya , SantejKhatraj Road ,SantejKalol, Gandhinagar 382721
CIN: L29253GJ2007PLC050007 Email: secretary@sdalloys.com Website: www.sdalloys.com
Tel. no.: 079-25626304

DPID/ CLIENT ID: _____

Registered Folio No.: _____

No of Shares: _____

Name(s) and address of the Shareholders/Proxy in Full:

*I, Certify that I am a Shareholder/ Proxy of the Shareholder of the Company. I/We hereby accord my/our presence at the **12th Annual General Meeting** of the Company being held on 25 September, 2019 at 11.30 AM at the registered office of the Company at Plot No. 2070 , Rajnagar Patiya , SantejKhatraj Road ,SantejKalol, Gandhinagar 382721.*

Signature of Shareholder/ Proxy

NOTE: Please fill in the Attendance Slip and hand it over at the entrance of the Hall.

**FORM MGT-11
PROXY FORM**

**Reg. Office: Plot No. 2070 , Rajnagar Patiya , SantejKhatraj Road ,SantejKalol, Gandhinagar 382721
CIN: L29253GJ2007PLC050007 Email: secretary@sdalloys.com Website: www.sdalloys.com
Tel. no.: 079-25626304**

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

Name of member(s):

Registered Address:

Folio No/Client Id:

Email:

DP Id:

I/We, being a member(s) of _____ shares of the above named company, hereby appoint:

- | | | | |
|----|-------------------|---|--|
| 1. | Name:
Address: | E-mail id:

Signature:

<i>or failing him/her</i> | |
| 2. | Name:
Address: | E-mail id:

Signature:

<i>or failing him/her</i> | |
| 3. | Name:
Address: | E-mail id:

Signature: | |

as my/our proxy to attend and vote (on a poll) for me/ us on my / our behalf at the 12thAnnual General Meeting of the Company to be held on 25 September, 2019at the Registered office of the company situated at Plot No. 2070 , Rajnagar Patiya , SantejKhatraj Road ,SantejKalol, Gandhinagar 382721and any adjournment thereof in respect of such resolutions as are indicated below:

RESOLUTION

Optional

Ordinary Business

- 1 To receive, consider and adopt
 - a) the audited Standalone Financial Statement of the Company for the financial year ended March 31, 2018 and the reports of the Board of Directors and Auditors thereon; and
 - b) the audited Consolidated Financial Statement of the Company for the financial year ended March 31, 2018 and the reports of the Auditors thereon.

- 2 To appoint a Director in place of Mr. Satishkumara Mehta (DIN: 01958984) who retires by rotation and being eligible, offers himself for re-appointment.

Signed this _____ day of _____, 2019

Signature of shareholder _____

Signature of first proxy holder Signature of second proxy holder Signature of third proxy holder

Notes:

1. This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the meeting. The Proxy need not be a member of the Company.

2. A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than 10% 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 proxy for any other person or shareholder.

** This is only optional. Please put 'X' in the appropriate Column against the resolutions indicated in the Box. If you leave the 'For' or 'Against' Column blank against any or all the resolutions, your proxy will be entitled to vote in the manner as he/she thinks appropriate.

3. Appointing a proxy does not prevent a member from attending the meeting in person if he so wishes.

SAGARDEEP ALLOYS LIMITED
(CIN: L29253GJ2007PLC050007)
Reg. Office: Plot No. 2070 , Rajnagar Patiya , SantejKhatraj Road ,SantejKalol, Gandhinagar 382721
