

Date: 16/08/2021

To  
BSE Limited  
Corporate Relationship Department  
Phiroze Jeejeebhoy Towers,  
25th Floor, Dalal Street,  
Fort, Mumbai-400001

Scrip Code: 540393

**Sub: Notice of 26<sup>th</sup> Annual General Meeting (AGM) and Annual Report for the FY 2020-21**

Dear Sir/Madam,

In compliance with Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed the Notice of the 26<sup>th</sup> AGM of the Company and the Annual Report for the FY 2020-21. The same can also be downloaded from our website from the link below:

[Annual Report - SML - Financial Year 2020-21](#)

We request you to please take the same on record.

Thanking You,

Yours faithfully,

**For Sarthak Metals Limited**



**Pratik Jain**

**Company Secretary and Compliance Officer**

Encl. as above.



**SARTHAK METALS LIMITED**

(Formerly : Sarthak Metals Marketing Private Limited)



# ANNUAL REPORT 2020-21

**BOARD OF DIRECTORS**

<b>Mr. Sunil Kumar Agarwal</b>	Chairman & Non-Executive, Non- Independent Director (Appointed as chairman w.e.f 04.08.2021)
<b>Mr. Anoop Kumar Bansal</b>	Managing Director
<b>Mr. Mayur Bhatt</b>	Whole-Time Director & Chief Executive Officer
<b>Mr. Sanjay Shah</b>	Whole-Time Director
<b>Ms. Rama Kohli</b>	Non-Executive, Independent Woman Director
<b>Mr. Kishore Kumar Bansal</b>	Non-Executive, Non-Independent Director (Resigned w.e.f. 04.08.2021)
<b>Mr. Sunil Dutt Bhatt</b>	Non-Executive, Independent Director (Appointed w.e.f. 04.08.2021)
<b>Mr. Dwadasi Venkata Giri</b>	Non-Executive, Independent Director

**CHIEF FINANCIAL OFFICER**

Mr. Anirudh Singhal

**COMPANY SECRETARY AND COMPLIANCE OFFICER**

Ms. Itika Singhal (resigned on 30<sup>th</sup> June, 2021)

Mr. Pratik Jain (appointed on 30<sup>th</sup> June, 2021)

**STATUTORY AUDITORS**

Begani & Begani  
Chartered Accountants  
2<sup>nd</sup> Floor, C- 34/1,  
Near Digambar Jain Mandir,  
Tagore Nagar  
Raipur (C.G.) – 492001

**26th ANNUAL GENERAL MEETING****DAY, DATE, TIME**

Tuesday, 14<sup>th</sup> September 2021 at 11 A.M.

**BANKERS**

State Bank of India

**ANNUAL GENERAL MEETING VENUE**

B.B.C. Colony, G.E. Road, Khursipar,  
Bhilai – 490011  
Chhattisgarh, India

**REGISTERED OFFICE**

B.B.C. Colony, G.E. Road, Khursipar,  
Bhilai – 490011  
Chhattisgarh, India

**BOOK CLOSURE**

07<sup>th</sup> September, 2021 to 14<sup>th</sup> September, 2021

**REGISTRAR & TRANSFER AGENT**

Big Share Services Private Limited  
1<sup>st</sup> Floor, Bharat Tin Works Building,  
Opposite Vasant Oasis Apartments (Next to  
Keys Hotel) Marol Maroshi Road, Andheri  
East, Mumbai - 400059

**WEBSITE**

[www.sarthakmetals.com](http://www.sarthakmetals.com)

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## *Letter to Shareholders*

Dear Stakeholders,

At the outset, I hope all of our valued patrons are keeping well both physically and mentally during these unheard of and trying times. I sincerely wish all of you the best of health & blessings of the divine to sail through this terrible storm.

We are pleased to share with you the Annual Report of your Company for the Financial Year 2021. The year started on a startling note with uncertainty of absurd proportions. It was unprecedented for your Company's factories to be closed for production (which had never happened since inception of your Company) as we cater to a MUST RUN industry. Your Company's factories were only shut for 8 days during the pandemic, as all the major steel plants in India accorded the MUST RUN status to your Company. The confidence our customers have shown in your Company during these times is a testament to the quality and delivery commitment of your Company.

Indian steel industry is in a super cycle since the last quarter of FY2021. The export demand for Indian steel has been unprecedented due to variety of factors but mainly attributed to the supply chain disruptions in major steel producing nations. India being self-sufficient due to ore & other critical raw materials, has been able to feed the world's demand in these times of crisis like never before.

Due to high demand of Indian steel the demand for your Company's products in the last quarter of FY-21 have more than made up for the deficit in demand during the first 3 quarters of FY-21. The turnover has increased 3.5% only but EBITDA has jumped by 31.33%. Over the same period your Company has been able to reduce its finance costs and become leaner showing resilience and agility to change during the pandemic. Due to these efforts your Company's net profit has increased by 72.35% and net profit margin has improved from 2.16% to 3.60%. These indicators clearly show the strength of your Company's management and team.

Further, due to your Company's strong supply chain management it has been able to cater to orders where others have failed. You will be pleased to know that due to such high standards of continuous service even in adverse conditions, almost all major steel plants have granted us a favoured vendor status. This has directly led to 80% capacity fill rate as of 30th April 2021 for the entire FY-22. Your Company is working towards capacity expansion in the short term without any CAPEX involvements to cater to month on month increasing demands both domestic & abroad. Overall the scenario of steel industry and with that your Company's performance appears to be healthy.

I express my sincere gratitude to all fellow Directors for their invaluable contribution through their continuous guidance and encouragement, which have been momentous for the success of the Company. I would also like to thank all our employees for their hard work, dedication and strong commitment towards our Company during these very trying times.

I finally thank all of you, the stakeholders, for your continued patronage and trust in the management of your Company. I assure you that we are committed to building a Company, which are all proud of.

Sd/-  
**Anoop Kumar Bansal**  
Managing Director  
DIN: 01661844  
Sarthak Metals Limited

**NOTICE OF ANNUAL GENERAL MEETING**

**NOTICE** is hereby given that the 26<sup>th</sup> Annual General Meeting of the members of **Sarthak Metals Limited** will be held on Tuesday, 14<sup>th</sup> Day of September, 2021 at 11:00 A.M. at the registered office of the Company at B.B.C. Colony, Khursipar, G.E. Road, Bhilai, Chhattisgarh - 490011 for the following business:

**ORDINARY BUSINESS**

1. To receive and adopt Audited Financial Statement for the year ended 31<sup>st</sup> March, 2021 with all annexure and attachments thereto including the Auditor's Report and the Directors' Report.
2. To declare dividend on equity shares for the Financial Year 2020-21.
3. To appoint Mr. Sunil Kumar Agrawal (DIN: 08680582), who retires by rotation and being eligible offers himself for reappointment:

**"RESOLVED THAT** pursuant to the provision of section 152 (6) of the Companies Act, 2013 and the rules made thereunder, Mr. Sunil Kumar Agrawal (DIN: 08680582) who retires by rotation and being eligible for re-appointment, be and is hereby re-appointed as the Directors of the Company."

**SPECIAL BUSINESS**

4. Appointment of Mr. Sunil Dutt Bhatt as an Independent Director of the Company

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

**"RESOLVED THAT** pursuant to the provision of 149, 152 and 160 of the companies Act, 2013 and the rules framed hereunder, as amended from time to time read with Schedule IV and other applicable provisions of the Companies Act, 2013, Mr. Sunil Dutt Bhatt (DIN: 09263587) who was appointed as additional director of the Company under section 161(1) of Companies Act, 2013 with effect from 04<sup>th</sup> August 2021 and who holds office as such up to the date of Annual General Meeting, and who has consented in writing to act as a director of the Company, be and is hereby appointed as a Non- Executive, Independent Director of the Company for a term of 5 consecutive years commencing from 04<sup>th</sup> August 2021 and ending 03<sup>rd</sup> August 2026;

**RESOLVED FURTHER THAT**, Mr. Anoop Kumar Bansal, Managing Director of the Company be and is hereby authorized to complete all the necessary formalities in this respect and to file e- form DIR - 12 with the Registrar of Companies and to complete all the formalities to give effect to this resolution".

**Registered Office:**

B.B.C. Colony, Khursipar, G.E. Road,  
Bhilai, Chhattisgarh - 490011

CIN: L51102CT1995PLC009772

Email: cs@sarthakmetals.com cfo@sarthakmetals.com

website: www.sarthakmetals.com

**By Order of the Board of Directors**  
**Sarthak Metals Limited**  
**Pratik Jain**

**Sd/-**  
**Company Secretary**  
**Membership No. ACS 61747**

**Notes:**

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON POLL INSTEAD OF HIMSELF / HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXIES, IN ORDER TO BE EFFECTIVE, MUST BE RECEIVED BY THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE TIME OF MEETING.**
2. **A person can act as proxy on behalf of members not exceeding fifty and holding in aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for any other person or shareholder.**
3. The attendance slip cum Proxy Form is placed at the end of this Annual Report.
4. The Explanatory statement for the proposed resolutions under Item No. 4 pursuant to section 102 of the Companies Act, 2013 read with section 110 of the Companies Act, 2013 setting out material facts are annexed herewith.
5. Pursuant to the provision of SEBI (LODR) Regulations, 2015 and section 91 of the Companies Act, 2013, Register of Members and Share Transfer Books of the Company will remain closed from Tuesday, 07<sup>th</sup> September, 2021 to Tuesday, 14<sup>th</sup> September, 2021. (both days inclusive)
6. Corporate members intending to send their authorized representatives to attend the meeting are requested to send to the company, a certified copy of the board resolution authorizing the representative to attend and vote on their behalf at the meeting.
7. As per the applicable provisions and rules thereunder any dividend remaining unpaid and unclaimed at the end of 07<sup>th</sup> (seventh) year thereafter shall be transferred to the Investor Education and Protection Fund (IEPF).
8. Members / proxies attending the meeting are requested to bring their copies of annual report together with attendance slip duly completed and signed along with 'Client ID' and 'DP ID' numbers.
9. Members seeking any information relating to accounts are requested to write to the company at least 10 days before the date of the 'Annual General Meeting' to enable the management to keep the required information ready at the meeting.
10. The 'Ministry of Corporate Affairs' has come out with a circular dated 29<sup>th</sup> April 2011 which allows the companies to send documents including 'Annual Reports' and other intimation by email. Therefore, you are requested to register your email IDs with the 'Registrar and Transfer Agent' of the company. The company is already having email ID of the members holding their shares in DEMAT through their respective depository participants. The said email ID shall be considered as registered email ID for the said members unless informed otherwise to the Company or Registrar and Transfer Agent.
11. Shareholders holding shares in dematerialized form should communicate the change of address, if any, to their Depository Participant and other who hold shares in physical form should communicate the change of address, to the Registrar and Share Transfer Agent of the Company at the following address:

**Bigshare Services Private Limited**

1<sup>st</sup> Floor, Bharat Tin Works Building,  
Opp. Vasant Oasis Apartments (Next to Keys Hotel),  
Marol Maroshi Road, Andheri East, Mumbai 400059

12. In terms of Section 72 of the Companies Act, 2013, nomination facility is available to the individual shareholder. The same should be availed through respective depository.
13. The Notice of 26<sup>th</sup> AGM along with the attendance slip and proxy form are being sent via electronic mode (to shareholders having their email IDs registered with the Company/Depository Participants) and in physical mode (to shareholders not having their email IDs registered with the Company/ Depository Participants).
14. The Company, being listed on SME Exchange and in view of provisions of Rule 20 of the Companies (Management and Administration) Rules, 2014 is not required to provide remote e-voting facility to its members.

**Registered Office:**

B.B.C. Colony, Khursipar, G.E. Road,  
Bhilai, Chhattisgarh - 490011  
CIN: L51102CT1995PLC009772  
Email: cs@sarthakmetals.com cfo@sarthakmetals.com  
website: www.sarthakmetals.com

**By Order of the Board of Directors**  
**Sarthak Metals Limited**  
**Pratik Jain**

**Sd/-**  
**Company Secretary**  
**Membership No. ACS 61747**

**Date: 04<sup>th</sup> August, 2021**

**Place: Bhilai**

**EXPLANATORY STATEMENT AS REQUIRED UNDER SECTION 102 OF THE COMPANIES ACT, 2013**

**ITEM NO.4**

Mr. Sunil Dutt Bhatt (DIN: 09263587) was appointed as an Additional Director by the Board at its meeting held on 04<sup>th</sup> August 2021 and as an Non-Executive Independent Director subject to approval of the Members. Mr. Sunil Dutt Bhatt holds office of Director up to the date of this Annual General Meeting and eligible for appointment as a Director.

A notice has been received from a member proposing Mr. Sunil Dutt Bhatt (DIN: 09263587) as a candidate for the office of Director of the Company. In the opinion of the Board, Mr. Sunil Dutt Bhatt (DIN: 09263587) fulfils the conditions specified in the Companies Act, 2013 and rules made thereunder for his appointment as an Independent Director.

Mr. Sunil Dutt Bhatt (DIN: 09263587) holds 74000 shares in the Company.

The Resolution seeks the approval of Members for the appointment of Mr. Sunil Dutt Bhatt as a Director of the Company pursuant to Section 149 and other applicable provisions of the Companies Act, 2013 and the Rules made hereunder.

No Director or Key Managerial Personnel of the Company and/ or their relatives, except Mr. Sunil Dutt Bhatt in his personal capacity for whom the Resolution relates, are interested or concerned in the Resolution.

**Registered Office:**

B.B.C. Colony, Khursipar, G.E. Road,  
Bhilai, Chhattisgarh – 490011  
CIN: L51102CT1995PLC009772  
Email: cs@sarthakmetals.com cfo@sarthakmetals.com  
website: www.sarthakmetals.com

**By Order of the Board of Directors**  
**Sarthak Metals Limited**  
**Pratik Jain**

**Sd/-**  
**Company Secretary**  
**Membership No. ACS 61747**

**Date: 04<sup>th</sup> August, 2021**  
**Place: Bhilai**

**ANNEXURE TO NOTICE**
**Details of Directors seeking re-appointment at the Annual General Meeting**

Pursuant to Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015) and Secretarial Standard 2 issued by the Institute of Company Secretaries of India.

Particulars	Details	Details
Name	Sunil Kumar Agarwal	Sunil Dutt Bhatt
DIN	08680582	09263587
Date of Birth	29/10/1955	25/06/1960
Date of Appointment	01/02/2020	04/08/2021
Qualifications	Bachelor of Engineering (Mech.)	Engineering from AMIM, Calcutta and MSC in Statistics and Metallurgical Engineering
Expertise in specific functional areas	He has more than 30 years of experience in Ministry of Railways and retired as member of Railway Board. He is rendering professional advice to our Company	He has more than 35 years of experience in department of Instrument and weighment in Bhilai Steel Plant and retired in 2020.
Directorships held in other Companies	Nil	Nil
Memberships/Chairmanships of committees of other Companies	Nil	Nil
Number of Board Meetings attended during the year	5	Nil
Tenure and term of appointment	Liable to retire by rotation	Not liable to retire by rotation
Terms and conditions of appointment or re-appointment	Non - Executive; Non - Independent Director liable to retire by rotation	Non - Executive; Independent Director not liable to retire by rotation
Remuneration last drawn	NA	NA
Relationship with other Directors or Key Managerial Personnel of the Company	NA	NA
Number of shares held in the Company	3,20,000 Shares	74,000 Shares



## DIRECTORS' REPORT

To  
The Members,

Your Directors have the pleasure of presenting the 26<sup>th</sup> Annual Report of **SARTHAK METALS LIMITED** along with the Audited Financial Statements for the year ended 31st March 2021.

### 1. FINANCIAL SUMMARY/HIGHLIGHTS:

Our Company's financial performance for the year under review has been encouraging and is summarized below:

(In Lakhs)

Particulars	Current Year as on 31.03.2021	Previous Year as on 31.03.2020
Total Income	222,07.87	215,26.21
Less: Expenditure & Depreciation	211,36.21	208,80.41
Less: Exceptional items	(2.07)	4.42
Profit before Tax (PBT)	1073.72	641.37
Less: Tax (including deferred tax)	276.89	179.04
Profit After Tax (PAT)	796.83	462.33

### 2. PERFORMANCE REVIEW:

Your Company is entering FY 22 with strong growth momentum and with much better visibility for future growth than last year, powered by a strong order book built up throughout the year and a robust deal pipeline. It has been a difficult year for the entire world. Despite the ferocity with which the second and third waves of the pandemic are now hitting us, we are in a far better place in FY 2021 than we were in FY 2020. Our business performance in the year gone by is also a reflection of that innate resilience and adaptability. In the early month of the pandemic, when the worldwide lockdown disrupted the economic activity across virtually all sectors, your Company responded with speed and agility. Record YOY EBIDTA of Rs. 1614.19 lakhs, up 31.33%, supported by strong profit and income. The Profit After Tax stood at Rs 7.96 crores against Rs. 4.62 crores in FY 20. Due to high demand of Indian steel the demand for your Company's products in the last quarter of FY 2021 have more than made up for the deficit in demand during the first 3 quarters of FY 2021.

### 3. DIVIDEND:

The Board consider that the profits of the Company are attributed to the trust of the shareholders in the management of the Company. Accordingly, the board proposed to declare a dividend of 10% per equity share i.e. Re. 1/- (Rupees One Only) per share and the same has been placed for approval of shareholders of the Company in the forthcoming Annual General Meeting (AGM). During the year under review, the Board in its meeting held on 25<sup>th</sup> June 2021 has recommended an amount of Rs. 13,689,750/- (Rupees One Crore Thirty Six Lakh Eighty Nine Thousand Seven Hundred Fifty Only) as proposed dividend. The above proposal has been recommended by the Board of Directors of the Company which needs to be approved by the shareholders at the ensuing Annual General Meeting.

#### **4. MIGRATION AND LISTING ON MAIN BOARD:**

Pursuant to provisions of Regulation 277 of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, Company can voluntarily migrate from SME Exchange to Main Board of BSE Limited and NSE Limited. The Board of Directors of the Company in its meeting held on 14<sup>th</sup> July 2021 decided to migrate from BSE SME Exchange to BSE Limited Main Board and Main Board of NSE Limited which will be approved by the members of the Company by way of Special Resolution vide Postal ballot. The Postal Ballot commenced on 19<sup>th</sup> July 2021 and end on 17<sup>th</sup> August 2021.

#### **5. RESERVES:**

The Company has not transferred any amount to the General Reserves during the financial year.

#### **6. SHARE CAPITAL:**

The Paid-up Equity share capital of the Company as on 1<sup>st</sup> April, 2020 was Rs. 13,68,97,500/- divided into 1,36,89,750 Equity Shares of Rs 10/- each. No change was made during the year. The equity share capital thus, as on 31<sup>st</sup> March 2021 was Rs. 13,68,97,500/-.

#### **7. ANNUAL RETURN:**

Pursuant to Section 92 (3) read with Section 134 (3) (a) of the Act, the Annual return as on March 31, 2021 is available on the Company's website on <http://sarthakmetals.com/docs/Annual%20Return%202020-21.pdf>

#### **8. CHANGES IN DIRECTORS AND KEY MANAGERIAL PERSONNEL:**

The composition of the Board is as per the Listing Regulations and provisions of the Companies Act, 2013. There was a change in the composition of the Board during the year under review.

Presently, the composition of the Board has seven Directors, led by Chairman, One Managing Director with two Whole-Time Directors, three Non-Executive Independent Directors.

During the year under review, the term of Independent Director namely Ms. Rama Kohli (DIN: 01835824) expires on 23<sup>rd</sup> August, 2021, for which, on the recommendation of Nomination and Remuneration Committee, the Board has approved her re-appointment as an Independent Director of the Company in the Board Meeting held on 25<sup>th</sup> June 2021.

The re-appointment of Ms. Rama Kohli as an Independent Woman Director will be approved by the members of the Company through a Special Resolution which will pass through the Postal Ballot, that commenced on 19<sup>th</sup> July 2021 and will end on 17<sup>th</sup> August 2021.

Mr. D.V. Giri (DIN: 02565046) was appointed as an Independent Director of the Company on 31<sup>st</sup> July 2020. He has provided his consent to act as an Independent director on the Board of the Company and has also provided necessary declaration as to independence.

Mr. Chetan Kumar resigned from the post of Non-Executive Independent Director w.e.f. 05<sup>th</sup> August 2020.

Ms. Itika Singhal resigned from the post of Company Secretary of the Company w.e.f. 30<sup>th</sup> June 2021.

Mr. Pratik Jain has been appointed as the Company Secretary of the Company by the Board in its meeting held on 25<sup>th</sup> of June, 2021 his appointment is effective from 30<sup>th</sup> June, 2021.

Mr. Mayur Bhatt has been appointed as the Chief Executive Officer of the Company w.e.f. 14<sup>th</sup> July 2021 who is also the Whole-Time Director of the Company since 21<sup>st</sup> August 2016.

Mr. Sunil Dutt Bhatt (DIN: 09263587) has been appointed as an additional Independent Director of the Company w.e.f. 04<sup>th</sup> August 2021. He has provided his consent to act as an Independent director on the Board of the Company and has also provided necessary declaration as to independence.

Mr. Kishore Kumar Bansal resigned from the post of Non-Executive Non-Independent Director w.e.f. 02<sup>nd</sup> August 2021.

Mr. Sunil Kumar Agarwal has been appointed as the Chairperson of the Company in place of Mr. Anoop Kumar Bansal w.e.f. 04<sup>th</sup> August 2021.

The Board confirms that none of the Directors of the Company is disqualified from being appointed as Director in terms of section 164 of the Companies Act, 2013 and necessary declaration has been obtained from all the Directors in this regard.

The Board also confirms that none of the directors on the board of the Company 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 other statutory authority.

## **9. RE-APPOINTMENT OF DIRECTOR:**

In accordance with section 152 of the Companies Act, 2013, Mr. Sunil Kumar Agarwal, Non-Executive Non-Independent, Professional Director of the Company, would retire by rotation at the forthcoming Annual General Meeting and is eligible for re-appointment. Mr. Sunil Kumar Agarwal has offered himself for re-appointment.

## **10. MANAGEMENT DISCUSSION AND ANALYSIS:**

As required by Regulation 34 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 a Management Discussion & Analysis Report is annexed to this report as 'Annexure- A' forms part of the Annual Report.

## **11. REPORT ON CORPORATE GOVERNANCE:**

Integrity and transparency are key factors to our corporate governance practices to ensure that we achieve and will retain the trust of our stakeholders at all times. Corporate governance is about maximizing shareholder value legally, ethically and sustainably. At Sarthak Metals Limited, our Board exercises its fiduciary responsibilities in the widest sense of the term. Our disclosures seek to attain the best practices in international corporate governance. We also endeavor to enhance long-term shareholder value and respect minority rights in all our business decisions.

As our Company has been listed on the SME Platform of BSE Limited, by virtue of Regulation

15 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 the compliance with the Corporate Governance provisions as specified in regulation 17 to 27 and Clause (b) to (i) of sub regulation (2) of Regulation 46 and Para C D and E of schedule V are not applicable to the Company. Hence Corporate Governance Report does not form a part of this Board Report, though we are committed for the best corporate governance practices.

## **12. DECLARATION BY INDEPENDENT DIRECTORS:**

The Company has received declarations from all the Independent Directors of the Company under Section 149 (7) of Companies Act, 2013 confirming that they meet with the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Companies Act, 2013 and under Regulation 16 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

## **13. PERFORMANCE EVALUATION OF BOARD, COMMITTEES & INDIVIDUAL DIRECTOR:**

A formal evaluation of the performance of the Board, its Committees, the Chairman and the individual Directors was led by Nomination & Remuneration Committee, the evaluation was done using individual interviews covering amongst other vision, strategy and role clarity of the Board. Board dynamic and processes, contribution towards development of the strategy, risk management, budgetary controls, receipt of regular inputs and information, functioning, performance & structure of Board Committees, ethics & values, skill set, knowledge & expertise of Directors, leadership etc.

As part of the evaluation process the performance of non- independent Directors, the Chairman and the Board was done by the Independent Directors. The performance evaluation of the respective Committees and that of independent and non- independent Directors was done by the Board excluding the Director being evaluated. The Directors expressed satisfaction with the evaluation process.

## **14. FAMILIARISATION PROGRAMMES FOR BOARD MEMBERS:**

The Board members are provided with product, brochures, reports and internal policies to enable them to familiarize with the Company's procedures and practices. The Chairman and Managing Director had one to one discussion with newly appointed Directors to familiarize them with the Company's operations. Periodic presentations are made at the Board and Board Committee Meetings, on business and performance updates of the Company, global business environment, business strategy and risks involved. Quarterly updates on relevant statutory and regulatory changes are circulated to the Directors.

## **15. NUMBER OF MEETINGS OF THE BOARD OF DIRECTORS:**

The Board of Directors duly met 5 (Five) times in financial year 31<sup>st</sup> March 2021 and as per section 173 of the Companies Act the time gap between any two Meetings has not been more than one hundred and twenty days. The dates on which the Board Meetings were held are 22<sup>nd</sup> June 2020, 31<sup>st</sup> July 2020, 15<sup>th</sup> September 2020, 10<sup>th</sup> November, 2020 and 08<sup>th</sup> March, 2021.

The name and category of Directors on the Board, their attendance at the Board Meetings held during the year and also at the Annual General Meeting, the member of Directorships and Committee Memberships and Chairpersonships held by them in other companies as on 31<sup>st</sup> March 2021 are given below:

Name of Directors	Category	No. of Board Meeting held and attend during the year		No. of Directorship in other Public Company	No. of Committees positions held in other Public Companies*		Attendance at last AGM held on 09/09/2020
		Held	Attend		Chairman	Member	
Mr. Anoop Kumar Bansal	Chairman & Managing Director	5	5	0	0	0	Yes
Mr. Kishore Kumar Bansal	Non- Executive Non- Independent Director	5	5	0	0	0	Yes
Ms. Rama Kohli^	Non- Executive Independent Director	5	5	0	0	0	No
Mr. Sanjay Shah	Whole Time Director	5	4	0	0	0	No
Mr. Mayur Bhatt	Whole Time Director	5	5	0	0	0	Yes
Mr. Chetan Kumar@	Non- Executive Independent Director	5	1	0	0	0	No
Mr. D.V. Giri#	Non- Executive Independent Director	5	3	0	0	0	Yes
Mr. Sunil Kumar Agarwal	Non-Executive Non-Independent Director	5	5	0	0	0	Yes

\*Represents Memberships/Chairpersonships of Audit Committee & Stakeholders' Relationship Committee of public companies only.

^Designates as a Woman Director on Board.

# Appointed on 31<sup>st</sup> July, 2020

@ Resigned on 05<sup>th</sup> August, 2020

As per the disclosure received, none of the Directors of your Company hold memberships/Chairmanships more than the prescribed limits across all companies in which he/she is a Director.

## 16. MEETINGS OF INDEPENDENT DIRECTORS:

The Company's Independent Directors shall meet at least once in every financial year without the presence of Executive Directors or management personnel. Such meetings are conducted informally to enable Independent Directors to discuss matters pertaining to (i) review the

performance of Non-Independent Directors and the Board as a whole, (ii) review the performance of the Chairperson of the Company, taking into account the views of Executive Directors and Non-Executive Directors; and (iii) to assess the quality, quantity and timeliness of flow of information between the Company Management and the Board. The meeting of Independent Directors was held on 10<sup>th</sup> November, 2020.

## 17. COMMITTEES OF THE BOARD OF DIRECTORS:

In compliance with the requirement of applicable laws and as part of the best governance practice, the Board has constituted various Committees of its members. These Committees hold meetings at such frequencies as is deemed necessary by them to effectively undertake and deliver upon the responsibilities and tasks assigned to them. Minutes of the meetings of each of these Committees are tabled regularly at the Board Meetings.

Your Company currently has 4 (Four) Committees viz:

### I. AUDIT COMMITTEE:

The Company has formed a qualified and Independent Audit Committee which acts as a link between the Auditors and the Board of Directors. The terms of reference of the Audit Committee cover the matters specified for Audit Committee in the SEBI Listing Regulations and Section 177 of the Companies Act, 2013.

As on 31<sup>st</sup> March, 2021, the Audit Committee comprises of the following members-

- |      |                          |          |
|------|--------------------------|----------|
| i.   | Mr. D.V. Giri            | Chairman |
| ii.  | Ms. Rama Kohli           | Member   |
| iii. | Mr. Kishore Kumar Bansal | Member   |

The Committee met 3 times during the year on 22<sup>nd</sup> June 2020, 10<sup>th</sup> November 2020 and 08<sup>th</sup> March 2021 and the attendance of Members at the Meetings.

Name of Member	Nature of Membership	No. of Meeting(s) attended/held
Mr. Chetan Kumar	Chairman (Resigned on 05/08/2020)	1/1
Mr. D. V. Giri	Chairman & Member (Appointed on 31/07/2020)	2/2
Ms. Rama Kohli	Member	3/3
Mr. Kishore Kumar Bansal	Member	3/3

The Company Secretary of the Company is the Secretary of the Committee.

### II. NOMINATION & REMUNERATION COMMITTEE:

In compliance with Section 178 of the Companies Act, 2013 and SEBI Listing Regulations, a Nomination & Remuneration Committee of the Company has been constituted.

As on 31<sup>st</sup> March 2021, the Nomination and Remuneration Committee comprises of the following members-



- |      |                          |          |
|------|--------------------------|----------|
| i.   | Mr. D.V. Giri            | Chairman |
| ii.  | Ms. Rama Kohli           | Member   |
| iii. | Mr. Kishore Kumar Bansal | Member   |

The Committee met 1 time during the year on 31<sup>st</sup> July 2020 and the attendance of Members at the Meetings is as follows:

Name of Member	Nature of Membership	No. of Meeting(s) attended/held
Mr. Chetan Kumar	Chairman (Resigned on 05/08/2020)	0/1
Mr. D.V. Giri	Chairman & Member (Appointed on 31/07/2020)	1/1
Ms. Rama Kohli	Member	1/1
Mr. Kishore Kumar Bansal	Member	1/1

### III. STAKEHOLDERS RELATIONSHIP COMMITTEE:

The Stakeholders Relationship Committee is constituted according to Section 178 of the Companies Act, 2013 and SEBI Listing Regulations. The Committee ensures cordial investor relations and oversees the mechanism for redressal of investor grievances. The Committee specifically looks into redressing shareholders and investor complaints/ grievances pertaining to share transfers, non- receipts of annual reports, non- receipt of dividend and other allied complaints.

As on 31<sup>st</sup> March 2021, the Stakeholders Relationship Committee comprises of the following members-

- |      |                          |          |
|------|--------------------------|----------|
| i.   | Mr. D.V. Giri            | Chairman |
| ii.  | Ms. Rama Kohli           | Member   |
| iii. | Mr. Kishore Kumar Bansal | Member   |

During the period under review, Company has not received any complaint from shareholders. There is no outstanding complaint as on 31<sup>st</sup> March 2021.

### IV. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE:

In compliance with provision of the Companies Act, 2013 and SEBI Listing Regulations, a Corporate Social Responsibility Committee of the Company has been constituted.

As on 31<sup>st</sup> March 2021, the Corporate Social Responsibility Committee comprises of the following members-

- |      |                          |          |
|------|--------------------------|----------|
| i.   | Mr. D.V. Giri            | Chairman |
| ii.  | Ms. Rama Kohli           | Member   |
| iii. | Mr. Kishore Kumar Bansal | Member   |

The Committee met 3 times during the year on 22<sup>nd</sup> June 2020, 10<sup>th</sup> November 2020 and 06<sup>th</sup> March 2021 and the attendance of Members at the Meetings is as follows:

Name of Member	Nature of Membership	No. of Meeting(s) attended/held
Mr. Chetan Kumar	Chairman (Resigned on 05/08/2020)	1/1
Mr. D.V. Giri	Chairman & Member (Appointed on 31/07/2020)	2/2
Ms. Rama Kohli	Member	3/3
Mr. Kishore Kumar Bansal	Member	3/3

## 18. NOMINATION & REMUNERATION POLICY OF THE COMPANY:

The Board has, on the recommendation of the Nomination & Remuneration Committee framed a policy for selection and appointment of Directors, Senior Management and their remuneration.

The Company's remuneration policy is directed towards rewarding performance based on review of achievements periodically. The remuneration policy is in consonance with the existing industry practice. Extract of Remuneration Policy from Nomination and Remuneration policy is annexed to this report as 'Annexure- B'

## 19. ANALYSIS OF REMUNERATION:

Disclosure/ details pursuant to provisions of Section 197 (12) of the Companies Act 2013 read with the Companies (Appointment and Remuneration of managerial personnel) Rules, 2014 are given as follows:

Names and Positions	[A] Ratio of Directors' Remuneration to the median Remuneration of Employees	[B] Percentage (%) increase/ decrease in Remuneration
Mr. Chetan Kumar (Independent Director) (Resigned on 05 <sup>th</sup> August, 2020)	NIL	Not Applicable
Ms. Rama Kohli (Independent Director)	NIL	Not Applicable
Mr. D. V. Giri (Independent Director) (Appointed on 31st July, 2021)	NIL	Not Applicable
Mr. Anoop Kumar Bansal (Managing Director)	22.12 Times	Decreased by 25%
Mr. Mayur Bhatt (Whole Time Director & Chief Executive Officer)	5.53 Times	No Change
Mr. Kishore Kumar Bansal (Director)	NIL	No Change

Mr. Sunil Kumar Agarwal (Director & Chairman)	NIL	No Change
Mr. Sanjay Shah (Whole Time Director)	22.12 Times	Decreased by 25%
Mr. Anirudh Singhal (Chief Financial Officer)	5.53 Times	No Change
Ms. Itika Singhal (Company Secretary)	3.87 Times	Increased by 3.44%
Mr. Pratik Jain (Company Secretary)	NIL	Not Applicable (Appointed on 31 <sup>st</sup> June 2021)

The median remuneration of employees of the Company during the financial year was Rs. 108519 p.a. Please note that only those persons who were employees as on 31<sup>st</sup> March 2021 have been considered for the calculation of the median salary. Further, no bonus payments have been considered for these calculations.

<b>[C] Percentage increase in the median Remuneration of Employees</b>	Increase of 12.77%
<b>[D] Number of permanent Employees on the rolls of Company</b>	216 as on 31 <sup>st</sup> March 2021
<b>(E) Average percentile increase already made in the salaries of employees other than the managerial personal in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof</b>	Median Salary of non-managerial staff has increased by 12.77% and also the average salary of managerial staff has decrease by 3.96%
<b>(F) Affirmation that the remuneration is as per the remuneration policy of the Company</b>	The Company affirms that the remuneration is as per the remuneration policy of the Company

During the year, none of the employees received remuneration in excess of Rs. One Crore Two Lakhs or more per annum, or Rs. Eight Lakhs Thousand per month for the part of the year, in accordance with the provisions of Section 197 of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. Therefore, there is no information to disclose in terms of the provisions of the Companies Act, 2013.

## 20. PARTICULARS OF EMPLOYEES:

None of the employees of the Company is drawing remuneration, requiring disclosure of information under section 134 of the Companies Act, 2013 read with Rule 5(2) of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014

**21. REGULATORY ORDERS:**

During the year there was no significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and Company's operations in future.

**22. WHISTLE BLOWER POLICY:**

Pursuant to the Section 177 (9) and (10) of the Companies Act, 2013 and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has formulated Whistle Blower Policy for vigil mechanism for Directors and Employees to report the management about the unethical behavior, fraud, improper practice or violation of the Company's Code of Conduct or complaints regarding accounting, auditing, internal controls or disclosure practices of the Company. It gives a platform to the whistle blower to report any unethical or improper practice (not necessarily violation of law) and to define processes for receiving and investigating complaints. The mechanism provides adequate safeguards against victimization of employees and directors who use such mechanism and makes provision for direct access to the Chairman of the Audit Committee in exceptional cases.

**23. STATUTORY AUDITORS:**

In accordance with the provisions of Section 139 & 142 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, as amended from time to time and such other applicable provisions, M/s Begani & Begani, (FRN- 010779C), Statutory Audit Firm were appointed as Auditors of the Company to hold office from the conclusion of 22<sup>nd</sup> Annual General Meeting ('AGM') till the conclusion of the 27<sup>th</sup> AGM in 2022, at such remuneration including applicable taxes, as may be mutually agreed between the Board of Directors of the Company and the Auditors.

**24. AUDITORS' REPORT:**

The Board has duly reviewed the Statutory Auditor's Report on the accounts of the Company. The observations comments and notes of the Auditor are self-explanatory and do not call for any further explanation/clarification.

**25. COST AUDITOR: NOT APPLICABLE****26. SECRETARIAL AUDITORS:**

Pursuant to the provisions of Section 204 of Companies Act, 2013 and the rules made thereunder, the Company has appointed M/s Nilesh A. Pradhan & Co. LLP, Company Secretaries (COP. No. 3659) to undertake the Secretarial Audit of the Company for the Financial Year ended 31<sup>st</sup>, March 2021.

The Secretarial Audit Report for the financial year ended 31<sup>st</sup> March 2021 is annexed to this report as 'Annexure- C' and forms an integral part of this report.

**27. DETAILS OF SUBSIDIARY/JOINT VENTURES/ASSOCIATE COMPANIES:**

The Company does not have any Subsidiary Company or Joint Venture Company or Associate Company.

**28. CORPORATE SOCIAL RESPONSIBILITY:**

The details of the Corporate Social Responsibility Policy framed and activities carried out thereunder are required to be disclosed in the format prescribed under Companies (Corporate Social Responsibility Policy) Rules, 2014 is annexed to this report as 'Annexure- D'.

**29. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186**

There are no Loans, Investments or Guarantees/Security given by the Company during the year under section 186 of the Companies Act, 2013; hence no particulars are required to be given.

**30. REPORTING OF FRAUDS:**

There was no instance of fraud during the year under review, which required the Statutory Auditors to report to the Audit Committee and / or Board under Section 143 (12) of the Act and the rules made thereunder.

**31. DISCLOSURE ON COMPLIANCE WITH SECRETARIAL STANDARDS**

Your Directors confirm that the mandatory Secretarial Standards (SS-1 & SS-2) issued by the Institute of Company Secretaries of India, have been complied with.

**32. RISK MANAGEMENT POLICY:**

During the year, the Company reviewed and strengthened its risk management policy and the risk management framework which ensures that the Company is able to carry out identification therein of elements of risk, if any, which in the opinion of the Board may threaten the existence of the Company.

**33. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES:**

All transactions entered into with the Related Parties as defined under the Companies Act, 2013 and ordinary course of business and on an arm's length pricing basis. There were no materially significant transactions with related parties during the financial year which were in conflict with the interest of the Company.

Kindly note that the format for disclosures of transactions with related parties is annexed to this report as 'Annexure- E'

**34. 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:**

Management does not perceive any material changes which have occurred subsequent to the close of the financial year as on 31<sup>st</sup> March 2021 before the date of report dated 04<sup>th</sup> August 2021, affecting the financial position of the Company in any substantial manner.

**35. ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO:**

- A. Particulars relating to conservation of energy and technology absorption stipulated in the Companies (Accounts) Rules, 2014 are not applicable. The Company is not energy intensive. Further, the Company's technology is indigenously developed and being constantly upgraded based on earnings of the promoters and employees.
- B. Foreign exchange earnings and Outgo:

Particulars	As on 31.03.2020 (In Rs.)	As on 31.03.2021 (In Rs.)
Foreign Exchange Earnings	19,62,61,945.34	17,88,31,925.31
Foreign Exchange Outgo	80,19,88,215.61	77,54,59,026.33

### 36. PUBLIC DEPOSITS:

Your Company has not accepted, invited and/or received any deposits from public within the meaning of section 73 & 76 of the Companies Act, 2013 and the Companies (Acceptance of Deposit) Rules, 2014, as amended from time to time during the year under review.

### 37. ISSUE OF EQUITY SHARES WITH DIFFERENTIAL VOTING RIGHTS/SWEAT EQUITY SHARES/EMPLOYEE STOCK OPTION SCHEME:

At the beginning of the year, there were no Equity shares with differential voting rights or sweat equity shares or employee stock option scheme outstanding.

During the year, the Company has not issued any equity shares with differential voting rights or sweat equity shares or shares under employee stock option scheme. Hence, disclosures regarding the same are not required to be given.

### 38. DISCLOSURE ON COST RECORDS MAINTENANCE:

The provisions with respect to maintenance of cost records as specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013, are not applicable to the Company.

### 39. INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY:

The Company has proper and adequate system of internal controls to ensure that all the assets are safeguarded and protected against losses from unauthorized use or disposition and that transaction are authorized, recorded and reported correctly. The Company has an effective system in place for achieving efficiency in operations, optimum and effective utilization of resources, monitoring thereof and compliance with applicable laws. The auditors have also expressed their satisfaction on the adequacy of the internal control systems incorporated by your Company.

### 40. DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013:

The Company has in place a policy on Prevention, Prohibition and Redressal of Sexual Harassment at workplace in line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. The Company has complied with setting up of an Internal Complaints Committee (ICC) to redress complaints received regarding sexual harassment. The policy has set guidelines on the redressal and enquiry



process that is to be followed by complainants and the ICC, whilst dealing with issues related to sexual harassment at the workplace. All women employees (permanent, temporary, contractual and trainees) are covered under this policy. The Company has not received any complaints during the year.

#### 41. DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirements under Section 134 (5) of the Companies Act, 2013, with respect to the Director's Responsibilities Statement, the Directors state and hereby confirm that:

- a) In the preparation of the annual accounts, 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 are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and loss of the Company for that period;
- c) The directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) The directors have prepared the annual accounts on a going concern basis;
- 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 and
- f) The directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

#### 42. ACKNOWLEDGMENT:

The Board of Directors wish to place on record its appreciation for the commitment, dedication and hard work done by the employees of the Company and the cooperation extended by Banks, Government Authorities, Customers, Shareholders and looks forward to a continued mutual support and co-operation.

#### FOR SARTHAK METALS LIMITED

Sd/-  
(ANOOPI KUMAR BANSAL)  
(DIN No. 01661844)  
Managing Director

Place: Bhilai, Chhattisgarh  
Date: 04<sup>th</sup> August, 2021

**'ANNEXURE- A'****MANAGEMENT DISCUSSION AND ANALYSIS REPORT****1. DEMAND & SUPPLY**

India was the world's second-largest steel producer in 2019, surpassing Japan with crude steel production of 111.2 million tonnes (MT). In FY20, crude steel production and finished steel production in India was 108.5 MT and 101.03 MT, respectively. Between April 2020 and February 2021, India's cumulative production of finished steel stood at 85.60 MT while the cumulative production of crude steel stood at 92.78 MT. The level of production has almost remained at level in the two year's despite severe conditions.

Steel exports by India reached a record level of 17.4 MT in FY21 (including 6.6 MT of semis) which exceeds last year's level by as high as 55.5%. Vietnam has received maximum Indian steel exports, followed by China (semis export), Italy, the UAE and Nepal. India has become a net exporter by a big margin as total steel imports at 5.04 MT is 29.6% lower compared to last year. India has imported maximum from South Korea, China, Japan and Taiwan. Large volume of HRC imports from South Korea was undertaken to feed the Korean service sectors' demand. These imports are expected to be replaced by domestic supply. Total imports valued at Rs 63,038.9 crore in FY21 was much lower compared to the export proceeds (all items inclusive) earned by the country at Rs 91,545.5 crore.

India's production of crude steel and finished steel fell by 5.9% to 103 million tonnes and 7.3% to 95.1 million tonnes in FY21, impacted by the Covid-19 pandemic which hampered production mainly in Q1FY21. However, the domestic steel industry made a quick recovery in the second half of FY21 riding on the back of higher international steel demand and revival in domestic demand. By Q2 domestic crude steel production reached 96% of pre-covid levels and by Q3 production was 7.5% higher yoy. In Q4FY21, crude steel production increased by 7.4% as manufacturer's ramp up output in a seasonally strong quarter. Moreover, Q4FY20 output was impacted by lockdown imposed by the central government to curtail spread of covid-19 thereby resulting in lower production in March 2020. Consumption of finished fell by 6.7% in FY21.

**2. ANALYSIS**

The second half of the covid - struck FY-21 saw an unprecedented rally in domestic steel prices which seems unstoppable even in the current FY-22. Domestic flat steel - Hot Rolled Coiled (HRC) prices are up 40% since April 2020 and prices of long steel - TMT are nearly 30% higher as on March 2021.

Steel prices continue to set new record highs month after month. In April 2021, domestic steel players announced further price hikes by up to Rs 1,000-2,000 per tonne in HRC and around Rs 3,000 per tonne in CRC. HRC are offered at Rs 59,700-60,000 per tonne in April 2021, up from Rs 36,950 per tonne in April 2020. This is the highest level seen since 2008, the year of the financial crisis.

The up-cycle in domestic steel prices is supported by the bullish trend in the global steel prices and revival in domestic demand. The rally in global steel prices were initially driven single-handedly by China until other large economies like USA and Europe came roaring back to the market armed with stimulus checks which resulted into demand outpacing supply. Sellers who idled capacities due to the pandemic earlier has been slow to ramp up post lockdowns.

The market that has witnessed the highest jump in steel prices is USA. Steel prices of HRC (FOB) in USA are up 160% y-o-y at \$ 1,455 per tonne in April 2021, surpassing high of \$ 1,100 per tonne in 2008. HRC prices in Western Europe are up 96% yo-y at \$ 911 per tonne in April 2021. In China, prices are around \$ 721 per tonne, up 79% since a year-ago. Comparatively, Indian HRC prices are around \$ 821 per tonne, nearly 44% lower than steel prices in USA. This means that despite the 25% tariff barrier it is still attractive to export to USA. And indeed this has led to spike in exports. In March 2021, finished steel exports from India jumped 125% y-o-y and was almost double the quantity shipped in February 2021. Exports to European countries like Italy, Belgium and Spain have gathered momentum in the past few months due to higher export realisations

### 3. OPPORTUNITIES

According to the data released by Department for Promotion of Industry and Internal Trade (DPIIT), Indian metallurgical industries attracted Foreign Direct Investment (FDI) to the tune of US\$ 14.24 billion between April 2000 and September 2020. The Government's National Steel Policy 2017 aims to increase the per capita steel consumption to 160 kgs by 2030-31. In FY22, crude steel production is expected to reach 112-114 million tonnes, which would be a growth of 8-9% yoy. The crude steel production is expected to be marginally higher than FY19 when India produced nearly 111 million tonnes of crude steel. Steel demand will be supported by economic recovery, government spending and enhanced liquidity.

The traditional demand driving sector for steel continues to be construction, which with the help of real estate construction and infra stimulus that have been announced by almost all the countries to prop up their economies immediately after the pandemic, would play a stellar role in strengthening steel demand. The demand for logistic-related facilities to support e-commerce, along with green recovery programmes and infra renewals would play their part. In India, the transportation of clean drinking water to cover each household in the country, LPG gas supply through pipes and transportation of oil and gas have been identified as key action areas.

The automobile sector that accounts for a much larger share in steel consumption in the US, the EU, Japan and South Korea (22-25% against 9% in India), is poised for a growth after sliding down in last three years. The Covid 19 pandemic has brought about a thrust on owning personal vehicles as opposed to public transport. Shortage of semiconductors may pose a risk in supply chain management. Passenger cars, light and medium commercial vehicles and tractors are selling at a high rate in India to reflect rising rural income and demand. Steel companies are looking to restart expansion projects on the back of burgeoning steel processes with a capacity addition of 29 MT.

The Union Budget for 2021-2022 has a sharp 34.5% yoy increase in allocation for Capex at 5.54 lakh crore. The budget's thrust is on infrastructure creation and manufacturing to propel the economy. Therefore, enhanced outlays for key sectors like defence services, railways, and roads, transport and highways would provide impetus to steel consumption which is expected to grow by 10-12% in FY22 to cross 100 million tonnes for the first time ever. An up-cycle in steel prices is expected to continue in FY22. Stimulus package unveiled by various countries will keep demand for steel high. Absence of China from the world export market and higher import of steel from China is one of the major factor keeping steel prices elevated. Continued higher demand from China on the back of stimulus package and the country's desire to bring down production levels in 2021 to reduce Co2 levels will be an important factor that will strengthen steel prices.

**'ANNEXURE- B'**

**PROVISIONS RELATING TO REMUNERATION OF MANAGERIAL PERSONNEL, KMP AND SENIOR MANAGEMENT:**

- a. To grant approval for formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board of Directors a policy relating to, the remuneration of the directors, key managerial personnel and other employees.
- b. To grant approval for formulation of criteria for evaluation of performance of independent Directors and the Board of Directors.
- c. To grant approval for devising a policy on diversity of Board of Directors.
- d. To approve and recommend to the Board of Directors appointment of persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down as well as removal.
- e. To grant approval whether to extent or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.

**'ANNEXURE- C'**

**Form No. MR-3  
SECRETARIAL AUDIT REPORT  
FOR THE FINANCIAL YEAR ENDED 31st MARCH, 2021**

[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,  
**SARTHAK METALS LIMITED**  
B. B. C. Colony, G. E. Road, Khursipar,  
Bhilai - 490011

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

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and submitted for verification through electronic mode and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, the explanations and clarifications given to us and the representations made by the Management and considering the relaxations granted by the Ministry of Corporate Affairs and Securities and Exchange Board of India warranted due to the spread of the COVID-19 pandemic, We hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31<sup>st</sup> March, 2021 ('Audit Period') complied with the statutory provisions listed hereunder and also that the Company has adequate Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by Company for the financial year ended on 31<sup>st</sup> March, 2021 according to the provisions of:

- i. The Companies Act, 2013 (the Act) and the rules made thereunder;
- ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- iv. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India 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 (Listing Obligations and Disclosure Requirements) Regulations, 2015;
- d) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (Not Applicable as the Company has not issued any further share capital during the year;
- e) The Securities and Exchange Board of India (Share based Employee Benefits) Regulations, 2014 (Not Applicable);
- f) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (Not Applicable);
- g) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client (Not Applicable);
- h) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (Not applicable as the Company has not delisted / propose to delist any of its securities during the financial year under review.); and
- i) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 (Not applicable as the Company has not bought back / propose to buy back any of its securities during the financial year under review);

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

- (i) Secretarial Standards with regard to Meeting of Board of Directors (SS-1) and General Meetings (SS-2) issued by The Institute of Company Secretaries of India.
- (ii) The Listing Agreement entered into by the Company with Stock Exchange.

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

We 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. There was change in the composition of the Board of Directors during the period under review in compliance with the provisions of the Act.

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

All the decisions at Board Meetings and Committee Meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors as the case may be.

We 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.



**We further report that** during the audit period there were no instances of:

- i) Right Issue | Preferential issue of shares | issue of debentures | issue of sweat Equity.
- ii) Redemption | Buy-back of securities.
- iii) Major decisions taken by the Members in pursuance to Section 180 of the Act.
- iv) Foreign Technical Collaborations.

**We further report that the** Company has filed some forms under 'Company Fresh Start Scheme, 2020.'

**We further report that** during the audit period the Company has not undertaken events/ actions having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.

Place: Dombivali

For Nilesh A. Pradhan & Co., LLP  
Company Secretaries

Date: 14<sup>th</sup> July, 2021

Sd/-  
Prajakta Padhye  
Partner  
FCS: 7478  
CP: 7891  
PR: 791/2020  
UDIN: F007478C000628098

Note: This report should be read with my letter which is annexed as Annexure I and forms integral part of this report.

ANNEXURE- I

To,  
The Members,  
**SARTHAK METALS LIMITED**  
B. B. C. Colony, G. E. Road, Khursipar,  
Bhilai – 490011

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

1. Maintenance of Secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in Secretarial Records. We believed that the processes and practices that we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Where ever required, we have obtained and relied upon the Management Representation letter 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. Our 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.

Place: Dombivali

Date: 14<sup>th</sup> July, 2021

For Nilesh A. Pradhan & Co., LLP  
Company Secretaries

Sd/-  
Prajakta Padhye  
Partner  
FCS: 7478  
CP: 7891

### 'Annexure- D'

#### Annual Report on CSR Activities

1.	<b>Brief outline on CSR Policy of the Company</b>	<p>Sarthak Metals Limited is keen to working towards providing education to the under privileged kids. In this endeavour, the company has associated itself with Shoshit Seva Sangh Foundation which operates a school in Patna for the Musahar (Rat Eating) Community of Bihar. The link of the website is <a href="http://sssfoundation.org">http://sssfoundation.org</a>.</p> <p>Sarthak Metals Limited is also committed to helping lesser privileged people in and around Bhilai, Chhattisgarh to have access to affordable medical facilities like dialysis. Bhagwan Mahavir Jain Relief Trust has set up a dialysis centre for the poor in Raipur.</p> <p>SML is committed towards providing affordable health and education in the state of Chhattisgarh and is working towards providing sustainable solutions for the same.</p>															
2.	<b>The composition of the CSR committee</b>	<p>Composition of the CSR Committee</p> <table><tr><th>S. No.</th><th>Name of Director</th><th>Designation/ Nature of Directorship</th><th>Number of meetings of CSR Committee held during the year</th><th>Number of meetings of CSR Committee attended during the year</th></tr><tr><td>1.</td><td>Mr. D. V. Giri</td><td>Chairman, Non- Executive Independent Director</td><td>3</td><td>2</td></tr><tr><td>2.</td><td>Ms. Rama Kohli</td><td>Member, Non- Executive Independent Director</td><td>3</td><td>3</td></tr></table>	S. No.	Name of Director	Designation/ Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year	1.	Mr. D. V. Giri	Chairman, Non- Executive Independent Director	3	2	2.	Ms. Rama Kohli	Member, Non- Executive Independent Director	3	3
S. No.	Name of Director	Designation/ Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year													
1.	Mr. D. V. Giri	Chairman, Non- Executive Independent Director	3	2													
2.	Ms. Rama Kohli	Member, Non- Executive Independent Director	3	3													

		<table><tr><td>3.</td><td>Mr. Kishore Kumar Bansal</td><td>Member, Non-Executive Non-Independent Director</td><td>3</td><td>3</td></tr></table>	3.	Mr. Kishore Kumar Bansal	Member, Non-Executive Non-Independent Director	3	3			
3.	Mr. Kishore Kumar Bansal	Member, Non-Executive Non-Independent Director	3	3						
3.	Provide the web-link where Composition committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the Company	Composition of the CSR committee shared above and is available on the Company's website on  <a href="http://www.sarthakmetals.com/investors-committees-of-board-of-directors.aspx?mpgid=24">http://www.sarthakmetals.com/investors-committees-of-board-of-directors.aspx?mpgid=24</a>  CSR policy and activities-  <a href="http://www.sarthakmetals.com/docs/Corporate-Social-Responsibility-Policy.pdf">http://www.sarthakmetals.com/docs/Corporate-Social-Responsibility-Policy.pdf</a>								
4.	Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable	Not Applicable								
5.	Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any	<table><tr><th>Sr. No.</th><th>Financial Year</th><th>Amount available for set-off from preceding financial year (in Rs.)</th><th>Amount required to be set-off for the financial year, if any (in Rs.)</th></tr><tr><td></td><td>-</td><td>NIL</td><td>NIL</td></tr></table>	Sr. No.	Financial Year	Amount available for set-off from preceding financial year (in Rs.)	Amount required to be set-off for the financial year, if any (in Rs.)		-	NIL	NIL
Sr. No.	Financial Year	Amount available for set-off from preceding financial year (in Rs.)	Amount required to be set-off for the financial year, if any (in Rs.)							
	-	NIL	NIL							
6.	Average net profit of the company for last three financial years as per Section 135(5)	Rs 715.67 Lacs								
7 (a)	Two percent of average net profit of the Company as per section 135 (5)	Rs 14.31 Lacs								

(b)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years	NIL
(c)	Amount required to be set off for the financial year, if any	NIL
(d)	Total CSR obligation for the financial year (7a+7b-7c)	Rs 14.31 Lacs

8. (a) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year*. (in Lacs)	Amount Unspent (In Lacs)				
	Total Amount transferred to Unspent CSR Account as per Section 135 (6)		Amount transferred to any fund specified under Schedule VII as per second proviso to Section 135(5)		
5,29,530.58	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
	NIL	-	-	NIL	-

**b) Details of CSR amount spent against ongoing projects for the financial year:**

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	(9)	(10)	(11)	
Sr. No.	Name of the Project	Item from the list of activities in Schedule VII of the Act	Local Area (Yes/No)	Location of the project		Project duration	Amount allocated for the project (in Rs.)	Amount spent in the current financial year (in Rs.)	Amount transferred to Unspent CSR Account for the project as per Section 135 (6) (in Rs.)	Mode of Implementation- Direct (Yes/No)	Mode of Implementation- Through Implementing Agency	CSR Registration Number
				State	District							

1.	Governme nt Primary Middle School	(ii)	Yes	C.G.	Bhilai	-	77,530.58	-	Yes	NA	NA
2.	Bhagwan Mahavir Jain Relief Trust	(x)	Yes	C.G.	Raipur	-	200,000	-	No	Bhagwan Mahavir Jain Relief Trust	NA
3.	CRY	(ii)	Yes	C.G.	Raipur	-	12000	-	No	CRY	NA
4.	Shoshit Seva Sangh Foundation	(ii)	Yes		Bihar	-	240,000	-	No	Shoshit Seva Sangh Foundation	CSR00003110

(c) Details of CSR amount spent against other than ongoing projects for the financial year

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
S. No.	Name of the Project	Item from the list of activities in Schedule VII of the Act	Local Area (Yes/No)	Location of the project		Amount spent for the project (in Rs.)	Mode of Implementation- Direct (Yes/No)	Mode of Implementation- Through Implementing Agency	
				State	District			Name	CSR Registration Number
NIL									

(d) Amount spent in Administrative Overheads: NIL

(e) Amount spent on Impact Assessment, if applicable: NIL

(f) Total amount spent for the Financial Year\*: (8b+8c+8d+8e): Rs. 5,29,530.58

(g) Excess amount for set off, if any



S. No.	Particular	Amount
(i)	Two percent of average net profit of the Company as per Section 135 (5)	1,431,000
(ii)	Total amount spent for the Financial Year	5,29,530.58
(iii)	Excess amount spent for the financial year [(ii)-(i)]	NIL
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial year, if any	NIL
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	NIL

**9. (a) Details of Unspent CSR amount for the preceding three financial years:**

S. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under section 135 (6) (in Rs.)	Amount spent in the reporting Financial Year (in Rs.)	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any		Amount remaining to be spent in succeeding financial years. (in Rs.)
				Name of the Fund	Date of transfer	
1.	-	NIL	-	-	-	-

**(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s):**

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
S. No.	Project ID	Name of the Project	Financial Year in which the project was commenced	Project duration	Total amount allocated for the project (in Rs.)	Amount spent on the project in the reporting Financial Year (in Lacs.)	Cumulative amount spent at the end of reporting Financial Year (in Rs.)	Status of the project - Completed /Ongoing
1.	-	Shoshit Seva Sangh Foundation	2017	-	-	2.40	16.4	Ongoing

2.	-	CRY	2018	-	-	0.12	0.68	Ongoing
3.	-	Bhagwan Mahavir Jain Relief Trust	2018	-	-	2.00	10	Ongoing
4.	-	Government Primary Middle School	2020	-	-	0.78	3.17	Ongoing
	TOTAL					5.3		

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (asset-wise details)

(a) Date of creation or acquisition of the capital asset(s): None

(b) Amount of CSR spent for creation or acquisition of capital asset: NIL

(c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc: Not Applicable

(d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset): Not Applicable

11. Specify the reason(s), if the Company has failed to spend two percent of the average net profit as per Section 135(5):

We have spent 5,29,530.58 before 31<sup>st</sup> March 2021 and due to COVID situation, SML's CSR committee was in discussions with multiple parties. However, they reached out to us only in the month of April 2021. Therefore, the remaining CSR amount was spent before 30<sup>th</sup> April 2021 on ongoing project and for oxygen concentrators and hospital building for COVID and hence the Company has not transferred any amount to unspent fund.

(1) Sr. No.	(2) Name of the Project	(3) Item from the list of activities in Schedule VII of the Act	(4) Local Area (Yes/No)	(5) Location of the project		(6) Project duration	(7) Amount allocated for the project (in Rs.)	(8) Amount spent in the current financial year (in Rs.)	(9) Amount transferred to Unspent CSR Account for the project as per Section 135 (6) (in Rs.)	(10) Mode of Implementation- Direct (Yes/No)	(11) Mode of Implementation- Through Implementing Agency	
				State	District						Name	CSR Registration Number
1.	Shoshit Seva Sangh Foundation (Ongoing project)	(ii)	Yes		Bihar	-	4,00,000	4,00,000	-	No	Shoshit Seva Sangh Foundation	CSR00003110
2	Agrasen Jan Kalyan Samitee	(ix)	Yes		Chhattisgarh, Bhilai	-	2,00,000	2,00,000	-	No	Agrasen Jan Kalyan Samitee	NA
3	Hunger Herous	(ix)	Yes		Chhattisgarh, Bhilai		10,00,000	10,00,000	-	No	Hunger Herous	NA

Sd/-

Anoop Kumar Bansal  
Managing Director

Sd/-

D. V. Giri  
Chairman, Corporate Social Responsibility Committee

**'ANNEXURE- E'****Form - AOC-2**

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8 (2) of the Companies (Accounts) Rules, 2014)

**Form for disclosure of particulars of contracts/arrangements entered into by the Company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arms length transactions under third proviso thereto**

**1. Details of contracts or arrangements or transactions not at arm's length basis: NIL**

- Name(s) of the related party and nature of relationship
- Nature of contracts/arrangements/ transactions
- Duration of the contracts/arrangements/ transactions
- Salient terms of the contracts or arrangements or transactions including the value, if any
- Justification for entering into such contracts or arrangements or transactions
- Date of approval by the Board
- Amount paid as advances, if any:
- Date on which the special resolution was passed in general meeting as required under first proviso to section 188

**2. Details of material contracts or arrangement or transactions at arm's length basis**

Name(s) of the related party and nature of relationship		Nature of contracts/ arrangements / transactions	Duration of the contracts/ arrangements/ transactions	Salient terms of the contracts or arrangements or transactions including the value(in Rs.), if any	Date(s) of approval by the Board, if any	Amount paid as advances , if any
M/s Bansal Brothers (Trading Division)	Enterprises over which significant Influence exists	Purchase of Raw Material	Annual	Purchase of Raw Material - 67,87,287	N/A	NIL
		Purchase of Consumables goods & Packing Goods		Purchase of Consumables goods & Packing Goods - 1,93,955.97		
		Repair & Maintenance Factory Shed & Building		Repair & Maintenance Factory Shed & Building - 60,014		
		Plant and Machinery		Plant and Machinery - 12,465.19		
		Factory Shed & Building		Factory Shed & Building - 2,54,279.45		
		Sales		Sales - 12,15,79,266		
Bansal Brothers (Ferro Alloys Division)	Enterprises over which significant Influence exists	Sales	Annual	Sales - 45, 18, 152	N/A	NIL
		Purchase of Raw Material		Purchase Raw Material- 8,29,55,680.74		

**INDEPENDENT AUDITORS' REPORT**

To  
The Members of M/s Sarthak Metals Limited.

**Report on the audit of the financial statements****Opinion**

We have audited the standalone financial statements of **M/s SARTHAK METALS LIMITED** ("the Company"), which comprise the balance sheet as at 31<sup>st</sup> March 2021, and the statement of Profit and Loss, and statement of cash flows for the year ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory.

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 March 31, 2021, and profit and its cash flows for the year ended on that date.

**Basis for Opinion**

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Key Audit Matters**

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

**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, (changes in equity) and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free

from material misstatement, whether due to fraud or error.

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

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

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

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

Paragraph 40(b) of this SA explains that the shaded material below can be located in an Appendix to the auditor's report. Paragraph 40(c) explains that when law, regulation or applicable auditing standards expressly permit, reference can be made to a website of an appropriate authority that contains the description of the auditor's responsibilities, rather than including this material in the auditor's report, provided that the description on the website addresses, and is not inconsistent with, the description of the auditor's responsibilities below.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(I) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern



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

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

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

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

### **Report on Other Legal and Regulatory Requirements**

As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

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

- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit
- (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules,
- (e) On the basis of the written representations received from the directors as on 31<sup>st</sup> March, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March, 2021 from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our

information and according to the explanations given to us:

1. The Company does not have any pending litigations which would impact its financial position.
2. The Company did not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses.
3. There were no amounts which are required to be transferred by the Company to the Investor Education and Protection Fund.

**For, BEGANI & BEGANI  
CHARTERED ACCOUNTANTS  
(FRN : 010779 C)**

**Sd/-  
(NIKHILESH BEGANI)  
PARTNER  
M.NO. 110603  
UDIN : 21110603AAAAAE7781**

**DATE : 25/06/2021  
PLACE: RAIPUR (C.G.)**

**Annexure "A" to the Independent Auditor's Report\***

(Referred to in paragraph 1 under 'Report on other legal and regulatory requirements' section of our report to the members of **M/s Sarthak Metals Limited** of even date)

1.	In respect of the Company's fixed assets:										
	(a)	The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.									
	(b)	As explained & Informed to us, The Company has a program of verification to cover all the items of fixed assets in a phased manner over a period of three years, which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain fixed assets were physically verified by the management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification									
	(c)	As explained & Informed to us, the title deeds of immoveable properties are held in the name of the Company.									
2.	The inventory has been physically verified by the management during the year. In our opinion, the frequency of such verification is reasonable. According to the information and explanations given to us and as examined by us, no material discrepancies were noticed on such verification.										
3.	According to information and explanation given to us, the Company has not granted any loan, secured or unsecured to companies, firms, limited liability partnerships or other parties covered in the register required under section 189 of the Companies Act, 2013. Accordingly, paragraph 3 (iii) of the order is not applicable.										
4.	In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Act, with respect to the investments made.										
5.	In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits in contravention of Directives issued by Reserve Bank of India and the provisions of section 73 to 76 or any other relevant provisions of the Act and the rules framed there under. No order has been passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any court or any other tribunal.										
6.	As Explained & Informed to us maintenance of cost records for the items manufactured/dealt by the Company in its different undertaking is not applicable.										
7.	In respect of statutory dues:										
	(a)	According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including provident fund, employees' state insurance, income-tax, goods and service tax, duty of customs and other material statutory dues have been generally regularly deposited during the year by the Company with the appropriate authorities.									
	(b)	However, according to information and explanations given to us, the following dues of have not been deposited by the Company on account of disputes:									
		<table><tr><th>Name of the statute</th><th>Nature of dues</th><th>Amount (in Rs)</th><th>Period to which the amount relates</th><th>Forum where dispute is pending</th></tr></table>	Name of the statute	Nature of dues	Amount (in Rs)	Period to which the amount relates	Forum where dispute is pending				
Name of the statute	Nature of dues	Amount (in Rs)	Period to which the amount relates	Forum where dispute is pending							

		Commercial Tax	Central Sales Tax	22,46,324/-	2014-15	Deputy Commissioner Commercial Tax
		Income Tax	Income Tax	10,15,610/-	2017-18	Commissioner Appeals
8	According to the information and explanations given to us, the Company has not defaulted in repayment of loans or borrowing to a financial institution or banks.					
9.	During the year the Company has not raised any fresh money by way of initial public offer, further public offer and term loans.					
10.	Based upon the audit procedures performed and according to the information and explanations given to us, no fraud by the Company or any fraud on the Company by its officers or employees has been noticed or reported during the course of our audit, that causes the financial statements to be materially misstated.					
11.	According to the information and explanations given to us and based on our examination of the records of the Company, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with schedule V to the act.					
12.	The Company is not a Nidhi Company and accordingly, paragraph 3 (xii) of the order is not applicable to the Company.					
13.	According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with section 177 and 188 of the Act. Where applicable, the details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.					
14	According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, paragraph 3(xiv) of the order is not applicable.					
15	According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with them. Accordingly, paragraph 3(xv) of the order is not applicable.					
16	According to the information and explanations given to us and based on our examination of the records of the Company, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.					

**For, BEGANI & BEGANI**  
**CHARTERED ACCOUNTANTS**  
**(FRN : 010779 C)**

**Sd/-**  
**(NIKHILESH BEGANI)**  
**PARTNER**  
**M.NO.110603**  
**UDIN : 21110603AAAAAE7781**

**DATE : 25/06/2021**  
**PLACE: RAIPUR (C.G.)**

## ANNEXURE B to the Auditors Report

### 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 **M/s SARTHAK METALS LIMITED (Formerly known as Sarthak Metals Marketing Private Limited)** ("the Company") as of 31st March 2021 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

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

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

#### Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls 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 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 authorisations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

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

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

### **Opinion**

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

**For, BEGANI & BEGANI**  
**CHARTERED ACCOUNTANTS**  
**(FRN : 010779 C)**

Sd/-  
**(NIKHILESH BEGANI)**  
**PARTNER**  
**M.NO. 110603**  
**UDIN: 21110603AAAAAE7781**

**DATE : 25/06/2021**  
**PLACE : RAIPUR (C.G.)**



**SARTHAK METALS LIMITED**  
(Formerly Known as SARTHAK METALS MARKETING PRIVATE LIMITED)  
**BALANCE SHEET AS AT 31ST MARCH 2021**

(Amount in Rs.)

	Particulars	Note No.	As at 31.03.2021	As at 31.03.2020
<b>I.</b>	<b>EQUITY AND LIABILITIES</b>			
<b>1</b>	<b>Shareholders' funds</b>			
	(a) Share capital	2	136,897,500	136,897,500
	(b) Reserves and surplus	3	397,626,597	324,788,194
	(c) Money received against share warrants		-	-
<b>2</b>	<b>Share application money pending allotment</b>		-	-
<b>3</b>	<b>Non-current liabilities</b>			
	(a) Long-term borrowings	4	66,113,507	16,138,942
	(b) Deferred tax liabilities (Net)		899,367	1,709,869
	(c) Other Long term liabilities		-	-
	(d) Long-term provisions (Gratuity)		6,479,337	5,924,753
<b>4</b>	<b>Current liabilities</b>			
	(a) Short-term borrowings	5	245,900,841	218,430,886
	(b) Trade payables		2,945,751	38,656,480
	(c) Other current liabilities	6	45,564,817	20,084,243
	(d) Short-term provisions (Provision for Current Taxation)		12,035,819	-
	<b>TOTAL</b>		<b>914,463,536</b>	<b>762,630,867</b>
<b>II.</b>	<b>ASSETS</b>			
<b>1</b>	<b>Non-current assets</b>			
	(a) <b>Fixed assets</b>	7		
	(i) Tangible assets		136,495,295	144,530,779
	(ii) Intangible assets		434,795	716,346
	(iii) Capital work-in-progress		777,528	-
	(iv) Intangible assets under development		-	-
	(b) Non-current investments	8	7,500,000	7,500,000
	(c) Deferred tax assets (net)		-	-
	(d) Long-term loans and advances	9	11,256,049	27,914,789
	(e) Other non-current assets	10	-	350,003
<b>2</b>	<b>Current assets</b>			
	(a) Current investments		-	-
	(b) Inventories	11	297,643,364	219,337,978
	(c) Trade receivables	12	383,749,509	282,015,589
	(d) Cash and Cash equivalents	13	34,552,164	12,846,483
	(e) Short-term loans and advances	14	22,587,317	47,855,956
	(f) Other current assets	15	19,467,510	19,562,944
	<b>TOTAL</b>		<b>914,463,536</b>	<b>762,630,867</b>

Significant Accounting Policies

1 &amp; 24

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

As per our Report of even date

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

For, BEGANI &amp; BEGANI

CHARTERED ACCOUNTANTS

FRN: 010779C

Sd/-  
(ANOOP KUMAR BANSAL)  
DIRECTOR  
DIN:01661844

Sd/-  
(MAYUR BHATT)  
DIRECTOR  
DIN:07586457

Sd/-  
(NIKHILESH BEGANI)  
PARTNER  
M. No. 110603  
PLACE : RAIPUR (C.G.)  
DATE:25/06/2021  
UDIN:21110603AAAAAE7781

Sd/-  
(ITIKA SINGHAL)  
COMPANY SECRETORY

Sd/-  
(ANIRUDH SINGHAL)  
CFO

**SARTHAK METALS LIMITED**

(Formerly Known as SARTHAK METALS MARKETING PRIVATE LIMITED)

**STATEMENT OF PROFIT AND LOSS FOR THE PERIOD 01.04.2020 TO 31.03.2021**

(Amount in Rs.)

	Particulars	Note No.	As at 31.03.2021	As at 31.03.2020
I.	Gross Revenue from operations	16	2,614,114,290	2,526,726,168
	Less: GST		398,527,039	385,045,550
	<b>Net Revenue from operations</b>		<b>2,215,587,251</b>	<b>2,141,680,618</b>
II.	Other income	17	5,200,030	10,940,740
III.	<b>Total Revenue (I + II)</b>		<b>2,220,787,281</b>	<b>2,152,621,358</b>
IV.	Expenses:			
	Cost of materials consumed	18	1,888,960,926	1,772,001,663
	Purchases of Stock-in-Trade		1,452,112	14,029,313
	Changes in inventories of finished goods work-in-progress and Stock-in-Trade	19	(47,048,874)	23,549,355
	Employee benefits expense	20	72,968,802	86,404,982
	Finance costs	21	32,998,932	36,256,932
	Depreciation and amortization expense	7	21,049,563	22,516,131
	Other expenses	22	143,240,206	133,283,560
	<b>Total expenses</b>		<b>2,113,621,666</b>	<b>2,088,041,935</b>
V.	Profit before exceptional and extraordinary items and tax (III-IV)		107,165,615	64,579,423
	Dividend		-	-
VI.	Exceptional items	23	(207,139)	442,119
VII.	Profit before extraordinary items and tax (V - VI)		107,372,754	64,137,304
VIII.	Extraordinary Items		-	-
IX.	<b>Profit before tax (VII- VIII)</b>		<b>107,372,754</b>	<b>64,137,304</b>
X	Tax expense:			
	(1) Current tax		28,500,000	17,453,000
	(2) Deferred tax		(810,502)	451,142
XI	<b>Profit (Loss) for the period from continuing operations (VII-VIII)</b>		<b>79,683,256</b>	<b>46,233,162</b>
XII	Profit/(loss) from discontinuing operations		-	-
XIII	Tax expense of discontinuing operations		-	-
XIV	Profit/(loss) from Discontinuing operations (after tax) (XII-XIII)		-	-
XV	<b>Profit (Loss) for the period (XI + XIV)</b>		<b>79,683,256</b>	<b>46,233,162</b>
XVI	Earnings per equity share:			
	(1) Basic		5.82	3.38
	(2) Diluted		-	-

As per our Report of even date  
For, BEGANI & BEGANI  
CHARTERED ACCOUNTANTS  
FRN: 010779C

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

Sd/-  
(NIKHILESH BEGANI)  
PARTNER  
M. No. 110603  
PLACE : RAIPUR (C.G.)  
DATE:25/06/2021  
UDIN:21110603AAAAAE7781

Sd/-  
(ANOOP KUMAR BANSAL)  
DIRECTOR  
DIN:01661844

Sd/-  
(MAYUR BHATT)  
DIRECTOR  
DIN:07586457

Sd/-  
(ITIKA SINGHAL)  
COMPANY SECRETORY

Sd/-  
(ANIRUDH SINGHAL)  
CFO

**SARTHAK METALS LIMITED**  
(Formerly Known as SARTHAK METALS MARKETING PRIVATE LIMITED )  
**CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2021**

(Amount Rs. In Lacs)

	PARTICULARS	Year ended 31.03.2021 (Rupees)	Year ended 31.03.2020 (Rupees)
<b>A.</b>	<b>CASH FLOW FROM OPERATING ACTIVITIES :</b>		
	Net Profit before tax as per Profit & Loss Account	1,073.73	641.37
	Adjustment for :		
	Depreciation	210.50	225.16
	Interest (Net)	298.16	325.33
	Amortization Of Preliminary Exps	3.50	3.50
	Loss/ (profit) on sale of fixed assets	-	-
		512.15	553.99
	Operating Profit before	1,585.88	1,195.37
	Adjustment for :		
	Inventories	(783.05)	411.16
	Trade and other receivable	(1,017.34)	(496.53)
	Short Term Loans and Advances	252.69	148.40
	Short Term Provisions	120.36	-
	Long Term Loans and Advances	166.59	(211.94)
	Trade Payable	(357.11)	41.03
	Other Current Assets	0.95	720.22
	Long term Liabilities	5.55	21.75
	Other Current Liabilities	254.81	59.53
		(1,356.56)	693.62
	<b>Cash generated from Operations</b>	229.32	1,888.99
	Direct Taxes (Net)	(285.00)	(174.53)
	<b>Net Cash from Operating Activities</b>	(55.68)	1,714.46
<b>B.</b>	<b>CASH FLOW FROM INVESTING ACTIVITIES :</b>		
	Investment in Fixed Assets including Capital WIP	(135.10)	(318.00)
	Proceeds from sale/Subsidy of fixed assets	-	50.00
	Investment in Non Current Investments	-	-
	Interest Received	3.02	6.66
	<b>Net Cash used in Investing Activities</b>	(132.08)	(261.35)
<b>C.</b>	<b>CASH FLOW FROM FINANCING ACTIVITIES :</b>		
	Proceed From Long Term Borrowing	499.75	(113.68)
	Proceed From Capital Investment Subsidy	-	-
	Other Short Term Borrowings	274.70	(1,150.44)
	Interest Paid	(301.18)	(331.99)
	Dividend Paid	(68.45)	(82.52)
	<b>Net Cash from financing Activities</b>	404.82	(1,678.64)
	<b>Net Increase/( decrease) in Cash and Cash equivalents ( A+B+C)</b>	217.06	(225.53)
	<b>CASH AND CASH EQUIVALENTS AS AT 01/04/2020 (as per Note-'13')</b>	128.46	353.99
	<b>CASH AND CASH EQUIVALENTS AS AT 31/03/2021 (as per Note-'13')</b>	345.52	128.46
	<b>Increase/( decrease) in Cash and Cash equivalents</b>	217.06	(225.53)

**Notes:**

(a) Cash and cash equivalent include the following :

Cash on Hand

6.03

6.73

Balance with Banks (Including Fixed Deposits)

339.50

121.74

(b) Figures in brackets represent outflows.

345.52

128.46

(c) Previous year figures have been recast/restated wherever necessary.

As per our Report of even date

For, BEGANI & BEGANI

CHARTERED ACCOUNTANTS

FRN: 010779C

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

Sd/-

(ANOOP KUMAR BANSAL)

DIRECTOR

DIN:01661844

Sd/-

(MAYUR BHATT)

DIRECTOR

DIN:07586457

Sd/-

(NIKHILESH BEGANI)

PARTNER

M. No. 110603

PLACE : RAIPUR (C.G.)

DATE:25/06/2021

UDIN:21110603AAAAAE7781

Sd/-

(ITIKA SINGHAL)

COMPANY SECRETARY

Sd/-

(ANIRUDH SINGHAL)

CFO

**SARTHAK METALS LIMITED**  
**( Formerly Known as SARTHAK METALS MARKETING PRIVATE LIMITED )**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR**  
**ENDED 31ST MARCH 2021**

**Note 1: SIGNIFICANT ACCOUNTING POLICIES**

**1.1 Corporate Information**

Sarthak Metals Limited (hereinafter referred to as 'the Company') is a public company domiciled in India. Earlier the Company was known as Sarthak Metals Marketing Private Limited. Its shares are listed on BSE SME Stock Exchange. The company is engaged in the manufacturing and selling cored wires ferro alloys aluminium wire industrial gases and related items.

**BASIS OF PREPARATION**

The financial statements of the Company have been prepared in accordance with generally accepted accounting principles in India (Indian GAAP). The Company has prepared these financial statements to comply in all material respects with the accounting standards notified under Section 133 of the Companies Act 2013 read together with paragraph 7 of the Companies (Accounts) Rules 2014 and Companies (Accounting Standards) Amendment Rules 2016. The financial statements have been prepared on an accrual basis and under the historical cost convention.

The accounting policies have been consistently applied by the Company and are consistent with those of previous year.

**2.1 Use of estimates**

The preparation of financial statements in conformity with Indian GAAP requires the management to make judgments estimates and assumptions that affect the reported amounts of revenues expenses assets and liabilities and the disclosure of contingent liabilities at the end of the reporting year. Although these estimates are based on the management's best knowledge of current events and actions uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future years.

**2.2 Fixed assets**

**Tangible Fixed Assets**

Tangible fixed assets are stated at cost of acquisition or construction less accumulated depreciation and impairment loss if any. The cost of an asset comprises of its purchase price and any directly attributable cost of bringing the assets to working condition for its intended use.

Subsequent expenditure related to an item of fixed asset is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance. All other expenses on existing fixed assets including day-to-day repair and maintenance expenditure and cost of replacing parts are charged to the statement of profit and loss for the year during which such expenses are incurred.

**Intangible fixed assets**

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition intangible assets are carried at cost less accumulated amortization and accumulated impairment losses if any.

**2.4 Depreciation**

Depreciation on fixed assets is calculated on a written down value method using the rates arrived at based on the useful lives estimated by the management as prescribed in Schedule II to the Companies Act 2013 on a pro-rata basis from the date the asset is ready to put to use.

The appropriateness of depreciation/amortisation period and depreciation/amortisation method is reviewed by the management in each financial year.

**2.5 Impairment of tangible and intangible assets**

The Company reviews the carrying amounts of assets at each balance sheet date to ascertain if there is any indication of impairment. If any indication exists the asset's recoverable amount is estimated. For assets that are not available for use the recoverable amount is estimated at each reporting date. An impairment loss is recognised wherever the carrying amount of an asset or its cash generating unit exceeds its recoverable amount and is recognised in the Statement of Profit and Loss. After impairment depreciation is provided on the revised carrying amount of the asset over its remaining useful life. The impairment loss recognised in the prior accounting period is reversed if there is change in the estimate used to determine the recoverable amount. However the carrying value after reversal is not increased beyond the carrying value that would have prevailed by charging usual depreciation if there was no impairment.

## 2.6 Inventories

Raw materials components stores and spares are valued at lower of cost and net realizable value. However materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Cost of raw materials components and stores and spares is determined on FIFO basis.

Finished goods are valued at lower of cost and net realizable value. Cost includes direct materials. Cost of finished goods includes GST. Cost is determined on FIFO basis.

Traded goods are valued at estimated cost based on the selling price of the stock based on the past practice.

Net realizable value is the estimated selling price in the ordinary course of business less estimated costs of completion and estimated costs necessary to make the sale.

## 2.7 Income Tax

Tax expense comprises current and deferred tax. Current tax is provided for on the taxable profits of the year at applicable tax rates. Deferred income taxes reflect the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years. Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets are recognised only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. Deferred tax assets are recognised on carry forward of unabsorbed depreciation and tax losses only if there is virtual certainty that such deferred tax assets can be realised against future taxable profits.

The carrying amount of deferred tax assets are reviewed at each reporting date. The Company writes-down the carrying amount of deferred tax asset to the extent that it is no longer reasonably certain or virtually certain as the case may be that sufficient future taxable income will be available against which deferred tax asset can be realized. Any such write-down is reversed to the extent that it becomes reasonably certain or virtually certain as the case may be that sufficient future taxable income will be available.

## 2.8 Revenue recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognized:

### Sale of traded goods

Revenue from sale of goods is recognized when all the significant risks and rewards of ownership of the goods have been passed to the buyer. The Company collects GST on behalf of the government and therefore these are not economic benefits flowing to the Company. Hence they are excluded from revenue. GST is deducted from revenue (gross) is the amount that is included in the revenue (gross) and not the entire amount of liability arising during the year.

### Other operating income

Revenue from other sources have been recognized on accrual basis.

### Interest Income

Interest income is recognized on a time proportion basis taking into account the amount outstanding and the applicable interest rate. Interest income is included under the head "other income" in the statement of profit and loss.

## 2.9 Investments

Investments which are readily realizable and intended to be held for not more than one year from the date on which such investments are made are classified as current investments. All other investments are classified as long-term investments.

Current investments are carried in the financial statements at lower of cost and fair value determined on an individual investment basis. Long-term investments are carried at cost. However provision for diminution in value is made to recognize a decline other than temporary in the value of the investments.

On disposal of an investment the difference between its carrying amount and net disposal proceeds is charged or credited to the statement of profit and loss.

## 2.10 Foreign currency translation - Foreign currency transactions and balances

### Initial recognition

Foreign currency transactions are recorded in the reporting currency by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

**Conversion**

Foreign currency monetary items are retranslated using the exchange rate prevailing at the reporting date. Non-monetary items which are measured in terms of historical cost rate at denominated in a foreign currency are translated using the exchange rate at the date when such value was determined the date of the transaction.

**Exchange differences**

The exchange differences arising on account of conversion / settlement of transactions are recognised in the statement of profit or loss as income or expenses in the period in which they arise.

**2.11 Employee benefits**

Salaries wages and bonuses are accrued in the year in which the associated services are rendered by employees of the Company. Other employee benefits include provident fund superannuation fund gratuity fund compensated absences long service awards and post-employment medical benefits. The Company's contribution to provident fund and superannuation fund are charged as an expense as they fall due based on the amount of contribution required to be made.

**2.12 Earnings Per Share**

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

**2.13 Provisions**

A provision is recognised when an enterprise has a present obligation as a result of past event; it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and are adjusted to reflect the current best estimates.

**2.14 Contingent liabilities**

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements.

**2.15 Cash and cash equivalents**

Cash and cash equivalents for the purposes of cash flow statement comprise cash at bank and in hand and short-term investments with an original maturity of three months or less.

**2.16 Deferred Revenue Expenditure**

Preliminary expenses or Initial Public offer's expenses are being written off in five equal yearly installments.

**2.17 Segment Reporting**

The Company's operating businesses are organized and managed separately according to the nature of products and services provided with each segment representing a strategic business unit that offers different products and serves different markets. The Company prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the financial statements of the Company as a whole.



Note 2:

SHARE CAPITAL	As at 31.03.2021	As at 31.03.2020
<b>Authorised :</b>		
15000000 (P.Y. 15000000) Equity Share of Rs. 10/- each	150,000,000	150,000,000
<b>Total</b>	<b>150,000,000</b>	<b>150,000,000</b>
<b>Issued Subscribed &amp; Paid up Capital:</b>		
13689750 (P.Y. 13689750) Equity Shares of Rs. 10/- each fully paid up	136,897,500	136,897,500
<b>Total</b>	<b>136,897,500</b>	<b>136,897,500</b>

(i) Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting period :-

Particulars	Equity Shares	As at 31.03.2021	As at 31.03.2020
	Number	Rs.	Rs.
Shares outstanding at the beginning of the year	13,689,750	136,897,500	136,897,500
Shares issued during the year	-	-	-
Shares bought back during the year	-	-	-
Shares outstanding at the end of the year	13,689,750	136,897,500	136,897,500

(ii) All equity shares carry equal voting and distribution rights.

(iii) Details of shareholders holding more than 5 percent of shares in the company:-

	As at 31.03.2021	As at 31.03.2020
<b>Shri Anoop Kumar Bansal</b>		
No. of Shares held	1,145,250	1,145,250
% of Holding	8.37%	8.37%
<b>Shri Kishore Kumar Bansal</b>		
No. of Shares held	741,000	741,000
% of Holding	5.41%	5.41%
<b>Shri Manoj Kumar Bansal</b>		
No. of Shares held	3,782,700	3,782,700
% of Holding	27.63%	27.63%
<b>Metal-Grace Injection Alloys Private Limited</b>		
No. of Shares held	484,000	900,000
% of Holding	3.54%	6.57%

(iv) The company has only one class of equity shareholders. Each shareholder is entitled to right of one vote per share.

(v) The company declares and pays dividend in Indian Rupees. Dividend proposed by directors is subject to approval of shareholders at the ensuing Annual General Meeting.

(vi) In the event of liquidation equity shareholders shall be eligible to receive remaining assets of the company after distribution of all preferential amounts in proportion of their shareholding.

<b>Note 3:</b>	<b>RESERVE &amp; SURPLUS</b>	<b>As at 31.03.2021</b>	<b>As at 31.03.2020</b>
	<b>a. Securities Premium Account</b>		
	Opening Balance	43,391,000	43,391,000
	Add : Securities premium credited on Share issue	-	-
	Less : Premium Utilised for various reasons	-	-
	<b>Closing Balance</b>	<b>43,391,000</b>	<b>43,391,000</b>
	<b>b. Surplus</b>		
	<b>Opening balance</b>	<b>280,897,194</b>	<b>242,916,125</b>
	(+) Net Profit/(Net Loss) For the current year	79,683,256	46,233,162
	(+) Transfer from Reserves	-	-
	(-) Declared Dividends(F.Y. 2019-20)	6,844,853	8,252,093
	(-) Interim Dividends	-	-
	(-) Adjustment for Depreciation	-	-
	<b>Closing Balance</b>	<b>353,735,597</b>	<b>280,897,194</b>
	<b>C.Capital Investment Subsidy</b>		
	Opening balance	500,000	500,000
	(+) Recived	-	-
	(-) Adjustment	-	-
	<b>Closing Balance</b>	<b>500,000</b>	<b>500,000</b>
	<b>Total</b>	<b>397,626,597</b>	<b>324,788,194</b>

<b>Note 4:</b>	<b>LONG TERM BORROWINGS</b>	<b>As at 31.03.2021</b>	<b>As at 31.03.2020</b>
	Secured Borrowings		
	Vehicle Loan From State Bank Of India	2,027,459	2,458,516
	State Bank of India Term Loan	-	13,680,426
	State Bank of India Term Loan (COVID)	64,086,048	
	<b>TOTAL (A)</b>	<b>66,113,507</b>	<b>16,138,942</b>

1. Term loan from State Bank of India (COVID) was taken during the current financial year and carries effective interest @ 7.40% p.a. The loan is secured by hypothecation of plant and machinery of the Company. Further the loan has been guaranteed by the personal guarantees of some of the directors of the Company.

2. Vehicle loans from banks is secured by hypothecation of respective vehicles of the Company.

<b>Note 5:</b>	<b>SHORT TERM BORROWINGS</b>	<b>As at 31.03.2021</b>	<b>As at 31.03.2020</b>
	Unsecured Borrowings		
	Axis Bank Limited ( Channel Finance for Purchase from Balco)	-	40,983,868
	Secured Borrowings		
	Cash Credit Limit from State Bank Of India ( Secured Against Hypothecation of Entire Stock & Debtors Equitable Mortgage of Lease Hold Land & Plant & Machinery & Personal Guarantee of both the Directors.)	245,900,841	177,447,018
	<b>Total</b>	<b>245,900,841</b>	<b>218,430,886</b>

1. Cash credit and Buyers' Credit from State Bank of India is secured against leasehold land factory land and commercial office complex in the name of the Company. The cash credit is repayable on demand and carries effective interest @ 10.00% p.a. Further the credit has been guaranteed by the personal guarantee of the directors of the Company.

2. Financing facility from Axis Bank is unsecured. The loan is repayable on demand and carries effective interest @ 9.20% p.a.

Note 6:	OTHER CURRENT LIABILITIES	As at 31.03.2021	As at 31.03.2020
	Advance From Customers	26,974,442	6,236,758
	Employee Related Liabilities	6,968,822	3,773,887
	Other Liabilities	8,810,995	7,304,119
	Statutory Liabilities	863,152	1,701,232
	Provision For CSR	1,409,144	507,675
	Gratuity Payable (Actuarial Certificate)	538,262	560,572
	<b>Total</b>	<b>45,564,817</b>	<b>20,084,243</b>

Note 8:	NON CURRENT INVESTMENTS	As at 31.03.2021	As at 31.03.2020
	<b>Investment in Equity Shares (Unquoted)</b>		
	Share Of Sarthak Energy Pvt Ltd	7,500,000	7,500,000
	(2,50,000 Equity Shares of face value Rs 10/- each)		
	<b>Total</b>	<b>7,500,000</b>	<b>7,500,000</b>

Note 9:	LONG-TERM LOANS & ADVANCES	As at 31.03.2021	As at 31.03.2020
	(Unsecured considered good)		
	Security Deposits	11,256,049	27,914,789
	<b>Total</b>	<b>11,256,049</b>	<b>27,914,789</b>

Note 10:	OTHER NON CURRENT ASSET	As at 31.03.2021	As at 31.03.2020
	Preliminary Exps	-	350,003
	<b>Total</b>	<b>-</b>	<b>350,003</b>

Note 11:	INVENTORIES	As at 31.03.2021	As at 31.03.2020
	Raw Materials and components (Valued at FIFO Method)	197,162,074	165,327,259
	Finished goods (Valued at Cost)	90,978,330	42,773,420
	Finished goods Trading (Valued at Cost)	-	1,156,035
	CoalStores and spares & Rolls Stock(Valued at Cost)	7,680,217	7,088,813
	Oil and Lubricants(Value At Cost)	1,817,841	2,988,712
	Inventory gas	4,903	3,739
	<b>Total</b>	<b>297,643,364</b>	<b>219,337,978</b>

# SARTHAK METALS LIMITED

(Formerly Known as SARTHAK METALS MARKETING PRIVATE LIMITED )

## NOTE NO. : 7 FIXED ASSETS

Fixed Assets	Gross Block			Accumulated Depreciation				Net Block			
	Balance as at 1 April 2020	Additions	Acquired through business combinati	Disposals/ Transfer	Balance as at 31ST March 2021	Balance as at 1 April 2020	Depreciation charge for the year	Adjustm ent	Transfer	Balance as at 31ST March 2021	Balance as at 1 April 2020
CORED WIRE DIVISION											
Air Conditoner	653,189	30,078	-	-	683,268	591,370	27,205	-	-	618,575	61,819
Computer	3,115,096	-	-	-	3,115,096	2,902,200	43,391	-	-	2,945,591	212,896
Computer ERP	3,984,473	-	-	-	3,984,473	3,268,127	281,551	-	-	3,549,678	716,346
Electrical Equipment	5,898,984	1,651,799	-	-	7,550,782	3,296,687	888,434	-	-	4,185,121	2,602,297
EOT	1,032,697	-	-	-	1,032,697	742,625	52,514	-	-	795,139	290,072
Factory Shed And Building	52,493,156	5,632,262	-	-	58,125,418	12,875,631	3,924,847	-	-	16,800,478	39,617,525
Fork Lift	3,134,149	-	-	-	3,134,149	1,694,498	260,629	-	-	1,955,127	1,439,651
Furniture &Fixtures	859,357	41,000	-	-	900,357	744,227	32,124	-	-	776,351	115,130
LAND	17,037,122	-	-	-	17,037,122	-	-	-	-	-	17,037,122
Mobile	652,902	57,881	-	-	710,783	530,360	66,204	-	-	596,564	122,542
Office Equipment	661,961	42,010	-	-	703,971	517,752	60,191	-	-	577,943	144,209
Plant & Machinery	81,259,003	3,208,496	-	-	84,467,499	34,815,765	8,577,088	-	-	43,392,853	46,443,238
RCC FRAME)	3,354,391	-	-	-	3,354,391	1,580,751	86,382	-	-	1,667,133	1,773,640
Truck	974,000	-	-	-	974,000	925,300	-	-	-	925,300	48,700
Two Wheeler	261,180	-	-	-	261,180	239,088	3,121	-	-	242,209	22,092
Vehicles (Four Wheeler)	24,420,881	-	-	-	24,420,881	15,906,566	2,641,539	-	-	18,548,105	8,514,315
Weighing Machine	696,333	-	-	-	696,333	553,705	53,251	-	-	606,956	142,628
Plant & Machinery (WIP)	-	777,528	-	-	777,528	-	-	-	-	-	-
Total (A)	200,488,873	11,441,055	-	-	211,929,928	81,184,651	16,998,471	-	-	98,183,122	119,304,222
											113,746,807

Fixed Assets	Gross Block			Accumulated Depreciation				Net Block			
	Balance as at 1 April 2020	Additions	Acquired through business combinati	Disposals/ Transfer	Balance as at 31ST March 2021	Balance as at 1 April 2020	Depreciation charge for the year	Adjustm ent	Transfer	Balance as at 1 April 2020	Balance as at 31ST March 2021
GAS DIVISION											
Air Conditioner	58,500	32,812	-	-	91,312	55,575	446	-	-	2,925	35,291
Computer	90,600	20,339	-	-	110,939	86,069	4,610	-	-	4,531	20,260
Electrical Equipment	1,337,476	29,509	-	-	1,366,985	1,247,131	22,125	-	-	90,345	97,729
Factory Shed And Building	5,150,898	-	-	-	5,150,898	3,176,099	187,672	-	-	1,974,799	1,787,127
Furniture &Fixtures	2,215	128,496	-	-	130,711	2,104	1,406	-	-	111	127,201
Gas Cylinder	35,521,346	-	-	-	35,521,346	28,875,083	750,552	-	-	6,646,263	5,895,711
LAND	180,406	-	-	-	180,406	-	-	-	-	180,406	180,406
Office Equipment	-	76,793	-	-	76,793	-	5,813	-	-	-	70,980
Plant & Machinery	13,977,728	802,828	-	-	14,780,556	11,901,644	478,877	-	-	2,076,084	2,400,035
Trolley	1,336,255	457,627	-	-	1,793,882	1,267,296	24,177	-	-	68,959	502,409
Truck	2,624,252	-	-	-	2,624,252	1,890,138	212,055	-	-	734,114	522,059
Two Wheeler	121,522	-	-	-	121,522	102,829	4,012	-	-	18,693	14,681
Vehicles (Four Wheeler)	614,300	-	-	-	614,300	583,585	-	-	-	30,715	30,715
Weighing Machine	62,281	-	-	-	62,281	59,167	-	-	-	3,114	3,114
Total (B)	61,077,779	1,548,404	-	-	62,626,183	49,246,720	1,691,745	-	-	11,831,059	11,687,718

NAGPUR OFFICE												
Computer	235,600	54,229	-	-	289,829	180,214	47,958	-	-	228,172	55,386	61,657
Four Wheeler	682,905	-	-	-	682,905	147,237	138,666	-	-	285,903	535,668	397,002
Furniture &Fixtures	1,469,011	-	-	-	1,469,011	1,349,353	29,415	-	-	1,378,768	119,658	90,243
Mobile	-	61,998	-	-	61,998	-	12,359	-	-	12,359	-	49,639
Office Equipment	216,389	-	-	-	216,389	201,489	3,090	-	-	204,579	14,900	11,810
RCC FRAME)	4,481,554	-	-	-	4,481,554	1,342,360	152,887	-	-	1,495,247	3,139,194	2,986,307
Two Wheeler	87,000	-	-	-	87,000	75,536	2,968	-	-	78,504	11,464	8,496
Total (C)	7,172,459	116,227	-	-	7,288,686	3,296,189	387,343	-	-	3,685,532	3,876,270	3,605,154

Fixed Assets	Gross Block			Accumulated Depreciation				Net Block				
	Balance as at 1 April 2020	Additions	Acquired through business combinati	Disposals/ Transfer	Balance as at 31ST March 2021	Balance as at 1 April 2020	Depreciation charge for the year	Adjustm ent	Transfer	Balance as at 31ST March 2021	Balance as at 1 April 2020	
RASMADA PLANT (FERRO ALLOYS)												
Electrical Equipment	1,947,410	40,625	-	-	1,988,035	568,984	632,520	-	-	1,201,504	1,378,426	786,531
Office Equipment	212,595	-	-	-	212,595	47,088	74,597	-	-	121,685	165,507	90,910
Plant And Machinery	6,958,471	35,000	-	-	6,993,471	755,034	1,134,885	-	-	1,889,919	6,203,437	5,103,552
RCC FRAME)	2,557,939	328,745	-	-	2,886,684	69,736	130,002	-	-	199,738	2,488,203	2,686,946
Total (D)	11,676,415	404,370	-	-	12,080,785	1,440,842	1,972,004	-	-	3,412,846	10,235,573	8,667,939
GRAND TOTAL (A+B+C+D)	280,415,526	13,510,056	-	-	293,925,582	135,168,402	21,049,563	-	-	156,217,965	145,247,124	137,707,618



Note 12:	TRADE RECEIVABLES	As at 31.03.2021	As at 31.03.2020
	Outstanding for a period less than six months		
	Unsecured considered good	359,315,966	253,174,524
	Less: Provision for doubtful debts	-	-
	Outstanding for a period exceeding six months	24,433,544	28,841,065
	Unsecured considered good		
	Less: Provision for doubtful debts	-	-
	<b>Total</b>	<b>383,749,509</b>	<b>282,015,589</b>

Note 13:	CASH & CASH EQUIVALENTS	As at 31.03.2021	As at 31.03.2020
	Balance with Banks	17,762,140	11,490,624
	State Bank Of India Fixed Deposit With Bank (Margin Money)	16,122,986	643,015
	Upaid Dividend Account With State Bank Of India	64,450	39,966
	Cash on Hand	602,588	672,878
	<b>Total</b>	<b>34,552,164</b>	<b>12,846,483</b>

Margin money deposits Rs.643015/- are subject to first charge to secure the Company's Line of Credit Buyers' Credit and Bank Guarantees.

Note 14:	SHORT-TERM LOANS & ADVANCES	As at 31.03.2021	As at 31.03.2020
	(Unsecured considered good)		
	Advances to Suppliers & Others	22,587,317	47,855,956
	<b>Total</b>	<b>22,587,317</b>	<b>47,855,956</b>

Note 15:	OTHER CURRENT ASSETS	As at 31.03.2021	As at 31.03.2020
	Comm Of Custom And Excise	5,022,711	4,597,366
	Income Tax Appeal (11-12)	213,680	213,680
	CST Appeal (08-09),(14-15)	220,685	231,155
	Prepaid Factory Licence	135,941	32,188
	Prepaid Pollution Exps	125,000	250,000
	IGST Receivable Against Export	6,247,167	2,306,062
	GST Receivable	3,222,840	8,712,460
	Lease Rent	254,678	254,678
	Interest Recivable From CSPDCL	316,179	-
	BRANCH BALANCE	0	-
	Income Tax Receivable (FY 19-20)	1,899,018	-
	Income Tax Receivable (FY 18-19)	1,241,358	1,241,358
	Prepaid Insurance	394,112	32,119
	TATA Capital Financial Service LTD.	174,141	
	TDS /TCS/ Advance Tax	-	
	Provision For Current Taxation	-	1,691,879
	<b>Total</b>	<b>19,467,510</b>	<b>19,562,944</b>

Note 16:	REVENUE FROM OPERATIONS	As at 31.03.2021	As at 31.03.2020
	Sale of products (Refer Note (i) below)	2,574,003,249	2,509,162,187
	JOB Work Charges	40,111,041	17,563,981
	Less:		
	GST	398,527,039	385,045,550
	<b>Total</b>	<b>2,215,587,251</b>	<b>2,141,680,618</b>

Note	Particulars	As at 31.03.2021	As at 31.03.2020
(i)	Sale of products comprises:		
	Manufactured goods		
	Sales	1,966,444,028	1,885,889,436
	Sales (Export)	178,831,925	209,745,355
	Total - Sale of manufactured goods	2,145,275,954	2,095,634,791
	Traded goods	2,260,500	
	Sales Trading	22,209,159	26,657,983
	Total - Sale of traded goods	24,469,659	26,657,983
	Sale of services	-	
	Service charges received	34,385,805	14,884,730
	<b>Total - Sale of Services</b>	<b>34,385,805</b>	<b>14,884,730</b>
	<b>Total - Sale of products</b>	<b>2,204,131,418</b>	<b>2,137,177,504</b>
(ii)	Other operating revenues comprises:		
	Sales of waste Consumable Goods	1,725,937	
	Sales ( Scrap )	8,281,347	2,648,176
	Sales ( Empty Drum )	1,448,550	1,854,938
	<b>Total - Other operating revenues</b>	<b>11,455,834</b>	<b>4,503,114</b>

Note 17:	OTHER INCOME	As at 31.03.2021	As at 31.03.2020
	Duty Drawback	1,224,046	1,838,076
	Insurance Claim	2,152,217	1,216,555
	DIC Interest Subsidy	-	186,960
	Interest Received	302,131	666,360
	Cylinder rent	13,761	26,920
	<b>Repair Maintaince Charges</b>	<b>5,932</b>	<b>-</b>
	<b>Lost Cylinder Recovery</b>	<b>297,000</b>	<b>-</b>
	Bad Debt Recovered/Sundry Balance W/o	397,456	6,482,000
	Profit on foreign currency transactions (Net)	807,486	523,869
	<b>Total</b>	<b>5,200,030</b>	<b>10,940,740</b>

<b>Note 18: COST OF MATERIALS CONSUMED</b>	<b>As at 31.03.2021</b>	<b>As at 31.03.2020</b>
Opening Stock Raw Material	165,330,997	184,839,471
Add:-Purchases & Expenses ( Net )	1,875,063,279	1,711,911,503
	2,040,394,276	1,896,750,974
Less:- Sales	-	-
Less:-Closing Stock	197,166,977	165,330,998
<b>Total</b>	<b>1,843,227,299</b>	<b>1,731,419,976</b>
Opening Stock Stores & Spares	7,088,813	5,668,013
Add:-Purchases & Expenses ( Net )	46,325,030	42,002,486
	53,413,843	47,670,499
Less:-Closing Stock	7,680,217	7,088,813
<b>Total</b>	<b>45,733,627</b>	<b>40,581,686</b>
<b>GRAND TOTALS</b>	<b>1,888,960,926</b>	<b>1,772,001,663</b>

( \* Including value of Import On CIF Basis)

<b>Note 19: CHANGE IN INVENTORIES</b>	<b>As at 31.03.2021</b>	<b>As at 31.03.2020</b>
Opening Stock Of Finished Goods	43,929,455	67,478,810
Less:Closing Stock Of Finished Goods	90,978,330	42,773,420
Less:Closing Stock Of Trading Goods	-	1,156,035
<b>Total</b>	<b>(47,048,874)</b>	<b>24,705,390</b>

<b>Note 20: EMPLOYEE BENEFIT EXPENSES</b>	<b>As at 31.03.2021</b>	<b>As at 31.03.2020</b>
Salary & Allowances	35,311,936	40,435,640
Leave Salary	330,723	3,389,945
Bonus Exps	3,479,262	4,056,147
Labour Payment	23,868,672	24,447,895
Gratuity(Based On Acturial Valutaion)	532,274	2,397,611
Staff & Labour Welfare	1,249,716	888,319
Provident Fund	2,075,631	2,047,880
Director Remuneration	5,400,000	7,900,000
ESIC Exps.	720,588	841,545
<b>Total</b>	<b>72,968,802</b>	<b>86,404,982</b>

<b>Note 21: FINANCE COSTS</b>	<b>As at 31.03.2021</b>	<b>As at 31.03.2020</b>
<b>Interest expenses</b>		
To Bank & Cash Credit Limit	21,932,948	28,246,595
To Others	5,919,937	4,782,738
To Vehicle loans	200,882	90,182
To On LC/Buyers Credit facility	2,064,076	79,943
Bank Charges & Commission	2,881,089	3,057,474
<b>Total</b>	<b>32,998,932</b>	<b>36,256,932</b>

Note 22: OTHER EXPENSES	As at 31.03.2021	As at 31.03.2020
Amortized Exps	350,003	350,000
Clearing And Forwarding	8,153,565	9,185,088
Commission & Brokerage	4,316,088	6,245,973
Computer/ERP Exps	363,968	380,276
Cylinder Expenses	-	272,005
Calcium Management	1,596,657	-
Destination Exps	495,712	364,000
Donation Expenses	102,000	15,120
Garden Exps	40,155	65,979
Insurance	2,325,459	2,546,112
Lease Rent Factory Licence & Rent Expenses	887,684	1,028,569
Legal & Professional Expenses	3,253,829	3,299,440
Loading And Unloading	502,711	793,189
Member Fees & Subscription	104,528	235,780
Office Exps.	1,735,093	1,867,284
Oil & Lubricant	29,560,921	23,108,931
Payment To Auditors	350,000	300,000
Postage & telegram exp.	219,088	137
Power Charges	29,428,920	27,865,876
Printing & Stationery	325,284	781,555
Property Tax	1,149,704	64,048
Sales Promotion	171,800	674,866
Fire Brigade Exps	54,587	-
Security Guard Exps	1,616,394	1,726,305
Sundry Balance Write Off	1,514,340	417,911
Telephone Expenses	314,562	401,884
Testing Charges	1,156,734	1,676,580
Transportation Exps	36,373,729	35,597,958
Traveling & Convyance Exps(Includes Foreign Traveling Exps)	1,120,640	3,273,555
Vehicle Maintaince & Petrol	2,472,182	2,141,171
Water Charges	100,844	113,245
Weigment Charges	109,950	96,068
Rent,Rate & Taxes	768,096	12,512
Rate & Qty. Diff.	2,871,840	543,391
Tender Fees	1,068,000	-
CSR Expenditure	1,431,000	1,400,000
L.D. Charges	267,268	-
Repair & Maintenance	6,566,874	6,438,753
<b>Total</b>	<b>143,240,206</b>	<b>133,283,560</b>

<b>Note 23:</b>	<b>EXCEPTIONAL ITEMS</b>	<b>As at 31.03.2021</b>	<b>As at 31.03.2020</b>
	Debit/(Credit) pertaining To Earlier Year (IT)	(207,139)	442,119
	<b>Total</b>	<b>(207,139)</b>	<b>442,119</b>

**Note 24: ADDITIONAL NOTES TO ACCOUNTS**
**a. Contingent liability not provided for :**

Sl. No.	Particulars	As at 31.03.2021	As at 31.03.2020
		(Amt in Rs.)	(Amt in Rs.)
(a)	Demand Raised By Income Tax Deptt.	10,15,610	10,15,610
(b)	Demand Raised By Commercial Tax Deptt.	2,246,324	2,246,324
	Less : Amount Paid For Appeals Preferred	-	-
	Net liability Raised By Commercial Tax Deptt.	2,246,324	2,246,324
(c)	Bank Guarantee/LC Outstanding	15,655,510	494,992
	Less : Margin Provided (STDR)	16,122,986	643,015
	Net liability	(467,476)	(148,023)

- b. The company has not received any memorandum (as required to be filed by the suppliers with the notified authority under the Micro Small and Medium Enterprises development Act 2006) claiming their status as on 31st March 2021 as micro small or medium enterprises. Consequently the amount paid/payable to these parties during the year is Nil (previous year: Nil)

**c. EXPENDITURE IN FOREIGN CURRENCY**

Particulars	2020-21	2019-20
	(in Rs.)	(in Rs.)
Foreign Tour Expenses (Exchange Purchase Cost)	-	991,804

- d. Earnings in foreign currency is Rs. 20.64 lacs (Previous year: Rs.5.24Lacs)

**f. RELATED PARTY TRANSACTIONS:**

During the Year ended March 31 2021 the Company has entered into several commercial transactions with its related parties. The details of such transactions and names of related parties & nature of relationship are given below:

TRANSACTIONS	KEY MANAGEMENT PERSONNEL	RELATIVES OF KEY MANAGEMENT PERSONNEL	ENTERPRISES OVER WHICH SIGNIFICANT INFLUENCE BY KEY MANAGEMENT PERSONNEL
Purchases of Materials	-	-	89,936,924
Remuneration	9,735,000	9,439,000	-
Professional Fees	-	350,000	-
Sales of goods	-	-	126,097,418

**Party wise transactions:**

S. No.	Party Name	Relation	Amount	Type of Transactions
1	Shri Anoop Kumar Bansal	Key Management Personnel	2,400,000.00 300,000.00	Director Salary Bonus / Incentive
2	Shri Manoj Kumar Bansal	Key Management Personnel	2,400,000.00 300,000.00	President Salary Bonus / Incentive
3	Shri Sanjay C. Shah	Key Management Personnel	2,400,000.00 200,000.00	Director Salary Bonus / Incentive
4	Shri Mayur Bhatt	Key Management Personnel	600,000.00 50,000.00	Director Salary Bonus / Incentive
5	Shri Sunil Kumar Agarwal	Key Management Personnel	350,000.00	Professional Fees
6	Shri Gaurav Agarwal	Relative Key Management Personnel	3,250,000.00	Staff Salary, Bonus / Incentive
7	Shri Anirudh Singhal	Key Management Personnel	650,000.00	Staff Salary, Bonus / Incentive
8	Itika Singhal	Key Management Personnel	435,000.00	Staff Salary
9	Shri Samarth Bansal	Relative Key Management Personnel	2,000,000.00	Staff Salary, Bonus / Incentive
10	Shri Sarthak Bansal	Relative Key Management Personnel	2,000,000.00	Staff Salary, Bonus / Incentive
12	Shri Sagar Shah	Relative Key Management Personnel	650,000.00	Staff Salary, Bonus / Incentive
13	Shalini Shah	Relative Key Management Personnel	720,000.00	Staff Salary, Bonus / Incentive
14	Shreya Agarwal	Relative Key Management Personnel	169,000.00	Staff Salary, Bonus / Incentive
15	Jaya Bhatt	Relative Key Management Personnel	650,000.00	Staff Salary, Bonus / Incentive
16	Bansal Brothers (Trading Div.)	ENTERPRISES OVER WHICH SIGNIFICANT INFUNECE	6,787,287.00 193,955.97 60,014.00 12,465.19 254,279.45 121,579,266.00	Purchase Raw Material Pur of Cons. / Packing Goods Repair & Maint.Factory Shed & Building Plant & Machinery Factory Shed & Building Sales
17	Bansal Brothers (FAD)	ENTERPRISES OVER WHICH SIGNIFICANT INFUNECE	4,518,152.00 82,955,680.74	Sales Purchase Raw Material

**Notes:**
**Name of Related Parties: -**
**1. KEY MANAGEMENT PERSONNEL :**

Shri Anoop Kumar Bansal- Managing Director  
 Shri Kishor Kumar Bansal-Director  
 Shri Sanjay Shah-Whole Time Director  
 Shri Sunil Kumar Agarwal-Director  
 Shri Anirudh Singhal-CFO  
 Shri Mayur Bhatt-Whole Time Director  
 Mrs Rama Kohli-Director  
 Mr. D.V. Giri- Independent Director  
 CS Itika Singhal-Company Secretary



## 2. RELATIVES OF KEY MANAGEMENT PERSONNEL:

Shri Manoj Kumar Bansal  
Shri Samarth Bansal  
Shri Sarthak Bansal  
Smt. Sakshi Bansal  
Smt. Shalini Shah  
Shri Sagar Shah  
Smt. Jaya Bhatt  
Smt. Shreya Agarwal  
Shri Gaurav Agarwal

## 3. ENTERPRISES OVER WHICH SIGNIFICANT INFLUENCE EXISTS:

- a. Metal Grace Injection Alloys Pvt. Ltd.
  - b. Bansal Brothers
  - c. M/s. Sarthak Energy Pvt.Ltd.
- g. Previous year's figures are regrouped and reclassified to confirm to this year's classification as per revised Companies Act 2013.
- h. During the year on 31st March,2021 the Company has entered into an Agreement for Sale of its Entire Gas Division situated at 9-B, Industrial Area, Gondwara, Urla, Raipur (CG) with M/s Amrit Metal & Gases LLP. The Total Sales Consideration of Gas Division is Rs.2.40 Crores, out of which Rs.2.00 Crores received as Advance during the year from Amrit Gases has been shown under the Head Advance from Customers.
- i. Year end cash balance and Closing stocks are taken as verified and represented by the mangement.
- j. In the opinion of board all current assets including sundry debtors loans and advances etc. are recoverable in the ordinary course of business and would realize the value as stated.
- Further in the opinion of board the provisions for depreciation and all known liabilities are adequate and are
- k. Parties' closing balances are subject to confirmation and /or reconciliation however the Company has adopted a system to ascertain the balance confirmation on periodical basis and any consequential adjustments presently unascertainable shall be accounted for as and when these accounts are reconciled / settled.
- l. **DEFERRED TAXES :**
- The Company follows the depreciation method as per the Companies Act 2013. Deferred tax has been worked out @ 25.16% on the Treatment of Depreciation under the Companies vis-a-vis the Income Tax Act. The

	PARTICULARS	AS AT 31.03.2021	AS AT 31.03.2020
a.	Opening balance of DTL (on account of Time Difference)	1,709,869	1,258,727
b.	Depreciation as per Companies Act for the year	21,049,563	22,516,131
c.	Depreciation as per Income Tax Act for the year	17,828,172	24,137,779
d.	Time Difference (b-c)	3,221,391	(1,621,648)
e.	Tax Liability @ 25.16 % Liability/ Asset	810,502	(451,142)
f.	Closing balance of DTL (on account of Time Difference)	899,367	1,709,869

## m. Calculation of EPS for the year ended:

Particulars	2021	2020
Net Profit as per P&L A/c	79,683,256	46,230,797
No. of Shares	13,689,750	13,689,750
Basic & Diluted EPS	5.82	3.38

- n** The Company has Rs. 12.38 Lac unrealised gains on foreign currency transactions as on 31st March 2021
- o** There is total long term borrowing as on 31st march 2021 is Rs. 6,61,13,507 /-(Outstanding Principal) out of which instalment payable within Twelve Months is Rs 2,21,41,608 /-(Inclusive Of Int.) .
- p** The Board of Directors has recommended and paid a dividend of Rs. .50 per equity share of Rs.10/- each (@5%) for the financial year ended March 31, 2020. The payout is to be Rs. 68.48 Lakh.
- q** The Company has opening CSR payable i.e. Rs.5,07,675/- for the financial year 2019-20 out of which company has expended Rs. 5,29,530/-(5,07,675/- For Finacial year 2019-20 and 21,855/- For Finacial Year 2020-21),The Actual laibilty for CSR expenditure for The Financial Year 2020-21 is Rs. 14,31,000/- out of which Rs.14,09,145/- is outstanding for expenditure as on 31/03/2021 which is shown as CSR Payable under Note. No.6 other Current laiblities. the payment of the balnce amount shown in Note No. 6 as CSR payable is made in Full Till 30/04/2021.

As per our Report of even date  
For, BEGANI & BEGANI  
CHARTERED ACCOUNTANTS  
FRN: 010779C

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

Sd/-  
(ANOOP KUMAR BANSAL)  
DIRECTOR  
DIN:01661844

Sd/-  
(MAYUR BHATT)  
DIRECTOR  
DIN:07586457

Sd/-  
(NIKHILESH BEGANI)  
PARTNER  
M. No. 110603  
PLACE : RAIPUR (C.G.)  
DATE:25/06/2021  
UDIN:21110603AAAAAE7781

Sd/-  
(ITIKA SINGHAL)  
COMPANY SECRETORY

Sd/-  
(ANIRUDH SINGHAL)  
CFO

**SARTHAK METALS LIMITED**  
( Formerly Known as SARTHAK METALS MARKETING PRIVATE LIMITED )  
For the period From 01-April-2020 To 31-MARCH-2021  
Note 25 : Segment Reporting under AS - 17  
Information about Primary Business Segment

S. No.	Particulars	Cored Wire		GAS		Unallocable		TOTAL	
		F.Y 2020-21	F.Y 2019-20	F.Y 2020-21	F.Y 2019-20	F.Y 2020-21	F.Y 2019-20	F.Y 2020-21	F.Y 2019-20
<b>A</b>	<b>Segment Revenue</b>								
	External Revenue	2,193,319,869.36	2,492,876,685.18	33,316,303.95	33,959,008.00	-	-	2,226,636,173.31	2,526,835,693.18
	Inter Segment Revenue			48,960.00	109,525.00	-	-	48,960.00	109,525.00
	Gross Turnover	2,193,319,869.36	2,492,876,685.18	33,267,343.95	33,849,483.00	-	-	2,226,587,213.31	2,526,726,168.18
	Less: Duties And Taxes	387,527,077.00	379,882,070.46	5,088,602.00	5,163,480.00	-	-	392,615,679.00	385,045,550.46
	Net Turnover	1,805,792,792.36	2,112,994,614.72	28,178,741.95	28,686,003.00	-	-	1,833,971,534.31	2,141,680,617.72
<b>B</b>	<b>Segment Result before Taxes</b>	<b>112,562,230.23</b>	<b>71,237,325.07</b>	<b>1,054,134.71</b>	<b>544,229.66</b>	<b>(6,243,611.00)</b>	<b>(7,644,250.80)</b>	<b>107,372,753.94</b>	<b>64,137,303.93</b>
	Less: Deferred Tax	(810,501.98)	451,142.42	-	-	-	-	(810,501.98)	451,142.42
	Less: Current tax	28,500,000.00	17,455,364.70					28,500,000.00	
	Profit After Deferred Tax	84,872,732.21	53,330,817.95	1,054,134.71	544,229.66	(6,243,611.00)	(7,644,250.80)	79,683,255.92	46,230,796.81
<b>C</b>	<b>Other Information</b>								
	Segment Asset	894,888,376.86	728,344,896.51	34,522,950.59	22,750,945.70	(5,983,610.55)	4,032,660.80	923,427,716.90	755,128,503.01
	Segment Liabilities	327,296,099.20	288,868,047.30	32,968,816.52	4,442,503.24	260,000.00	-	360,524,915.72	293,310,550.54
	Capital Expenditure during the	11,845,424.82	29,827,726.62	1,548,404.45	-	116,227.00	1,934,004.00	13,510,056.27	31,761,730.62
	Depreciation and Amortization							-	-
	Depreciation	18,970,475.00	20,032,159.00	1,691,745.00	2,129,982.00	387,343.00	353,990.00	21,049,563.00	22,516,131.00
	Amortization	-	-	-	-	-	-	-	-

As per our Report of even date  
For, BEGANI & BEGANI  
CHARTERED ACCOUNTANTS  
FRN: 010779C

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

<p>Sd/- (NIKHILESH BEGANI) PARTNER M. No. 110603 PLACE : RAIPUR (C.G.) DATE:25/06/2021</p>	<p>Sd/- (ANOOP KUMAR BANSAL) DIRECTOR DIN:01661844</p>
<p>Sd/- (MAYUR BHATT) DIRECTOR DIN:07586457</p>	<p>Sd/- (ANIRUDH SINGHAL) CFO</p>

**SARTHAK METALS LIMITED**  
**(Formerly known as SARTHAK METALS MARKETING PRIVATE LIMITED)**

The Company follows the depreciation method as per the Companies Act 2013. Deferred tax has been worked out @ 25.16% on the Treatment of Depreciation under the Companies vis-a-vis the Income Tax Act. The Company has provided the Liability / Assets for Deferred Tax under the head Deferred Tax Liability. Accordingly the amount of Deferred Tax Liabilities is as follows:-

**CALCULATION OF DEFERRED TAX LIABILITY AS ON 31.03.2021**

D.T.L. FOR PREVIOUS YEAR:

DEP AS PER I.T. ACT AS ON 31.03.2021	17,828,172.00	
DEP AS PER BOOKS OF ACCOUNTS AS ON 31.03.2021	21,049,563.00	
D.T.L. @ 25.16% OF RS. TO BE TAKEN IN P/L A/C	3,221,391.00	810,501.98

<b>D.T.L. ALREADY RECOGNISED IN BOOKS OF A/C.</b>	<b>1,709,869.20</b>
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<b>D.T.L. TO BE CHARGED TO THIS YEAR (NET)</b>	<b>899,367.22</b>
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**ATTENDANCE SLIP**

**26<sup>th</sup> Annual General Meeting on Tuesday,  
The 14<sup>th</sup> September 2021 at 11:00 A.M.**

Regd. Folio No. \_\_\_\_\_

DP ID \_\_\_\_\_

Client ID / Ben. A/C \_\_\_\_\_

No. of shares held \_\_\_\_\_

I certify that I am a registered shareholder / proxy for the registered Shareholder of the Company and hereby record my presence at the 26<sup>th</sup> Annual General Meeting of the Company on Tuesday, 14<sup>th</sup> September, 2021 at 11:00.A.M. at B.B.C. Colony, Khursipar, G.E. Road, Bhilai, Chhattisgarh- 490011

**Member's/Proxy's name in Block Letters**

**Member's/Proxy's Signature**

Note: Please fill this attendance slip and hand it over at the entrance of the hall.

**Form No. MGT-11****Proxy form**

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

CIN: L51102CT1995PLC009772

**Name of the Company: SARTHAK METALS LIMITED**

Registered office : B.B.C. Colony, Khursipar, G.E. Road, Bhilai, Chhattisgarh-490011

Name of the Member(s):

Registered Address:

Email ID:

Folio No. / Client ID:

DP ID:

I/ We being the member of ....., holding.....shares, hereby appoint

1. Name: .....

Address:

E-mail ID:

2. Name: .....

Address:

E-mail ID:

Signature: ..... or failing him

Signature: .....

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at 26<sup>th</sup> Annual General Meeting of members of the Company, to be held on Tuesday, 14<sup>th</sup> September, 2021 at the B.B.C. Colony, Khursipar, G.E. Road, Bhilai, Chhattisgarh - 490011 registered office of the Company at 11:00 A.M. and at any adjournment thereof in respect of such resolutions as are indicated below:

Affix  
Revenue  
Stamp

S. No.	Resolutions	For	Against
ORDINARY BUSINESS			
1.	To receive, consider and adopt, financial statements for the year ended 31 <sup>st</sup> March 2021 together with the Report of Board of Director's and Auditor's thereon.		
2.	To declare dividend on equity shares for the financial year 2020-21		
3.	To consider the appointment of Mr. Sunil Kumar Agrawal, who retires by rotation and being eligible offers himself for reappointment		
SPECIAL BUSINESS			
4.	Appointment of Mr. Sunil Dutt Bhatt as an Independent Director of the Company		

Signed this ..... day of..... 2021

\_\_\_\_\_  
Signature of Shareholder      Signature of Proxy holder(s)

**Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, before the commencement of the Meeting.**





[illegible]



## SARTHAK METALS LIMITED

(Formerly : Sarthak Metals Marketing Private Limited)

CIN: L51102CT1995PLC009772

**Registered Office:**

B.B.C. Colony, Khursipar, G.E. Road,  
Bhilai, Chhattisgarh-490011