

SHREE SPONGE STEEL AND CASTING LIMITED

30th ANNUAL REPORT

Financial Year 2020-21



CIN: U27100GJ1991PLC016203

SHREE SPONGE STEEL AND CASTING LIMITED

(Formerly - Shree Sponge Steel and Forging Limited)

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30th ANNUAL REPORT 2020-21

CORPORATE INFORMATION

Name: SHREE SPONGE STEEL AND CASTING LIMITED.

CIN: U27100GJ1991PLC016203.

REGISTERED OFFICE:

6/1/1, GIDC,POR-Ramangamdi National Highway No 8
Baroda Gujarat 391243 India.

E-MAIL ID: hrishparikh@shreesponge.com

REGISTRAR & SHARE TRANSFER AGENT

M/s. MCS SHARE TRANSFER AGENT LIMITED

1st Floor, Neelam Apartment,

88., Sampatrao Colony,

Above Chappanbhog Sweet,

Alkapuri, Vadodara - 390007

BOARD OF DIRECTORS

Vinaykumar Parikh	Chairman & Managing Director.
Hrishit Parikh	Executive Director
Nandkishor M. Pardeshi	Director.
Hasmukhlal V. Shah	Director

AUDITORS

M/s. Mayur Amin & Association

Chartered Accountants

B-20, Yogi Nagar Society,

Nr. Rama Kaka Temple, Channi,

Vadodara – 391740

BANKERS

ICICI Bank Ltd.
Vadodara

COMPANY LAW CONSULTANTS

M/s. Preyansh Shah & Associates

CS Preyansh Shah

Practicing Company Secretary

909, Shiddharth Complex,

R C Dutt Road,

Alkapuri, Vadodara-390007

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NOTICE

Notice is hereby given that the **30th Annual General Meeting** of the Members of **Shree Sponge Steel And Casting Limited** will be held on Monday, 30th August, 2021 at 11.00 A.M. at the Registered Office of the Company at 6/1/1, GIDC, Por-Ramangamdi National Highway No 8 Vadodara, Gujarat - 391243 and through VC (Video Conferencing) or OAVM (Other Audio Video means) India to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Financial Statements of the Company for the financial year ended March 31, 2021 including Audited Balance Sheet as at March 31, 2021 and the Statement of Profit and Loss for the year ended on that date and the Reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of **Mr. Nandkishor Mulchand Pardeshi (DIN: 00344385)**, who retires by rotation at this Annual General Meeting and being eligible, offers himself for re-appointment.

SPECIAL BUSINESS:

3. **Re-Appointment of Mr. Vinaykumar Purushottamdas Parikh as a Managing Director for Period of a Three Years.**

To consider and if thought fit, to pass the following resolutions as a **Special Resolution:**

“RESOLVED THAT pursuant to Sections 196, 197 and 203 read with other applicable provisions and Schedule V of the Companies Act, 2013 and the provisions of Articles of Association of the company, **Mr. Vinaykumar Purushottamdas Parikh (DIN: 00258864)** be and is hereby appointed as **Managing Director** of the company for a

period **three years** starting from 1st January, 2022 to 31st December, 2024 and payment of remuneration for the aforesaid period on the terms and conditions which are set out in Explanatory Statement annexed to the notice convening ensuing General Meeting.

RESOLVED FURTHER THAT in the event of loss or inadequacy of profits in any financial year during the currency of tenure of the appointment, the Managing Director shall be paid salary, perquisites and other allowances as set out in Explanatory Statement, as the minimum remuneration, subject to ceiling as specified in Schedule V of the Companies Act, 2013 from time to time and subject to the approval of the Central Government, if so required, in accordance with the provisions of the Companies Act, 2013.

RESOLVED FURTHER THAT Mr. Vinaykumar Purushottamdas Parikh in the capacity of Managing Director will be entrusted with the powers, authorities, functions, duties, responsibilities etc. by Board of Directors of the company, from time to time.

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to do all such acts, deeds and things as may be necessary, proper and expedient for the purpose of giving effect to this resolution."

4. Appointment of Mr. Hrishit Vinay Parikh as a Whole-Time Director for Period of a Three Years.

To consider and if thought fit, to pass the following resolutions as a **Special Resolution:**

"RESOLVED THAT pursuant to Sections 196, 197 and 203 read with other applicable provisions and Schedule V of the Companies Act, 2013 and the provisions of Articles of Association of the company, **Mr.**

SHREE SPONGE STEEL AND CASTING LIMITED

Hrishit Vinay Parikh (DIN: 03303533) be and is hereby appointed as **Whole Time Director (Executive Director)** of the company for a period **three years** starting from 1st February, 2022 to 31st January, 2025 and payment of remuneration for the aforesaid period on the terms and conditions which are set out in Explanatory Statement annexed to the notice convening ensuing General Meeting.

RESOLVED FURTHER THAT in the event of loss or inadequacy of profits in any financial year during the currency of tenure of the appointment, the Whole Time Director shall be paid salary, perquisites and other allowances as set out in Explanatory Statement, as the minimum remuneration, subject to ceiling as specified in Schedule V of the Companies Act, 2013 from time to time and subject to the approval of the Central Government, if so required, in accordance with the provisions of the Companies Act, 2013.

RESOLVED FURTHER THAT Mr. Hrishit Vinay Parikh in the capacity of Whole Time Director will be entrusted with the powers, authorities, functions, duties, responsibilities etc. by Board of Directors of the company, from time to time.

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to do all such acts, deeds and things as may be necessary, proper and expedient for the purpose of giving effect to this resolution."

**For & on behalf of the Board of Director
Shree Sponge Steel And Casting Limited**

Date: 10th July, 2021
Place: Por, Dist: Vadodara

Mr. Vinaykumar Parikh
(Chairman & Managing Director)
(DIN : 00258864)

Explanatory Statement

PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013 IN RESPECT OF THE BUSINESS SET OUT IN NOTICE:

Item No. 3

The present proposal is to seek the Shareholders' approval for the re-appointment of **Mr. Vinaykumar Purushottamdas Parikh**, Managing Director in terms of the applicable provisions of the Companies Act, 2013.

Considering valuable contribution as well as responsibilities shouldered by Mr. Vinaykumar Parikh as a Managing Director since inception your Directors at their meeting held on 10th July, 2021 have approved his re-appointment for a period of 3 years from 1st January, 2022 to 31st December, 2024 in accordance with provisions of section 196, 197, 203 and any other provisions applicable if any of the companies act 2013 read with rule 7 of the companies (appointment and remuneration of Managerial Personnel) rules 2014.

The principal terms and conditions of appointment of **Mr. Vinaykumar Purushottamdas Parikh** (hereinafter referred to as "the Appointee") including the terms of remuneration are given below:

Detail of major Term & Condition of reappointment are as follow

Particular	Mr. vinaykumar Parikh
(A) Basic salary	Rs. 350000/- (Rupees Three Lakhs Fifty Thousand only per Month)
(B) Term of appointment	1 st January 2022 to 31 st December 2024

Perquisites and allowances

PART –A

- I. EXPENSES :Reimbursement of expenses on gas, electricity, water, house furnishing etc. will be paid at actuals .
- II. MEDICAL REIMBURSEMENT: Reimbursement of Medical Expense actually incurred for self and family and medical insurance premium for the health of self and family.
- III. LEAVE TRAVEL CONCESSION :For self and family to and from any place in India once in year in accordance with the rules of the Company.
- IV. CLUB FEES: Fees paid to club, subject to a maximum of two (2) clubs be allowed, provided no admission or life membership fees shall be paid.
- V. PERSONAL ACCIDENT INSURANCE: Personal Accident premium for self.
- VI. WATCHMAN ETC : free service of sweeper, gardener and watchman at the residence of the appointee
However, Aggregate monetary value of aforesaid perquisite in this part shall not exceed Rs 10 Lakhs per annum.

PART –B

1. Company's Contribution toward provident fund to the extent it is not taxable.
2. Company's contribution toward superannuation fund ,if any ,to the extent it is not taxable.
3. Gratuity: Payable at rate not exceeding one half month salary for each completed year of service.
4. Leave: On full pay and allowances as per rules of the Company, but not more than one day leave for every ten day of service. Leave not availed of shall be allowed to be carried forward and to be encashed at the end of the tenure.

PART –C

1. Car: Free use of Company's car with driver for Company's business purpose.
2. Telephone: Free telecommunication facilities at residence and cell phone.

He shall also be entitled to reimbursement of entertainment expenses actually and properly incurred for the business of the Company.

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Minimum Remuneration: Notwithstanding anything contained, wherein in any financial year, during the currency of the tenure of Mr. Vinaykumar Parikh as a Managing Director the Company, the Company has no profits or its profits are inadequate, the Company will pay remuneration by way of salary and perquisites as specified above but subject to the limit under Schedule V of the Companies Act, 2013.

Memorandum of interest: Except Mr. Vinaykumar Parikh, Managing Director and Mr. Hrishit Parikh, Whole Time - Executive Director being related to each other no other Directors/KMP or their relative shall be deemed to be financially or otherwise interested or concerned in the said re-appointment.

Statement in compliance with Section II, of Part II of Schedule V of the Companies Act, 2013

GENERAL INFORMATION:

1)	Nature of Industry	:Engineering and Fabrication
2)	Date of expected date of Commencement of Commercial Production Company	:Existing
3)	In case of new Companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus.	:N.A.
4)	Financial performance based on given indicators (in lakhs) (a) Net profit/(Loss) (b) Effective Capital (c) Total Income	:RS. 5.98 :RS. 423.80 :RS. 301.93
5)	Export performance and net Foreign Exchange collaboration	N.A.
6)	Foreign Investments or collaborations, if any	N.A.

SHREE SPONGE STEEL AND CASTING LIMITED

INFORMATION ABOUT THE APPOINTEE:

Particulars	Mr. Vinaykumar Parikh
1) Background details	The appointee is B.Com, DTP LLB (Spl) with industrial experience of about 31 Years.
2) Past Remuneration	Rs. 3,50,000/- per month plus other benefits as per Note No. 10 of Part-2 of Notes on Accounts
3) Recognition or awards	Former President: Rotary Club of Jawaharnagar, Vadodara. Former Chairman: Vadodara Chapter of IIF. Former President: Por Ramangamdi Industrial Estate.
4) Job Profile and his suitability	The appointee is the promoter of the Company and has tremendously contributed for the development of the Company as a Managing Director since inception. His academic qualification, experience, business acumen and leadership quality have gone a long way in growth of the Company. Hence the Board of Directors of the Company is of the opinion that he is suitable person for holding the office of Managing Director. His skill & leadership quality will be an asset to the Company's progress.
4) Remuneration Proposed	Rs. 3,50,000/- per month plus other benefits as per Part A, B & C in the Explanatory Statement.
5) Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be w.r.t the country of his origin)	Not Available
6) Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel, if any:	The appointee is the Promoter of the Company and father of Mr. Hrishit Parikh , Whole - Time Executive Director of the Company.

SHREE SPONGE STEEL AND CASTING LIMITED

OTHER INFORMATION:

1	Reasons of loss or inadequate profits	Wide fluctuation on raw material prices and Customer's resistance to accept price revision Forthwith, Lack of Demand, Increase in finance, fuel and other costs and COVID-19. The Foundry business was no longer financially viable for a medium size unit, such as ourselves due to very high fluctuation in the Raw material prices, increase in govt. compliances & fees, labour wage increment along with acute shortage of skilled foundry labours amid falling demand, bad security of payments from customers and diminishing margins.
2	Steps taken or proposed to be taken	Increase in customer base & turnover, prudent Use of resources, expenditure control, Improvement and increased production activities and developing new products. The core business of the company has been pivoted to an engineering unit from a Foundry unit. In the foundry business we were manufacturing intermediate products, now we will design & manufacture final machinery to be sold to end consumers. It is a shift from B to B model to a B to C model which will help better our profit margins & secured the company's future along with generating it mental prosperity for the company. A new brand has been launched by the name of "VINI" for the crushing & hydraulic segment of machinery to be manufactured by the company.
3	Expected increase in Productivity 5)	Barring unforeseen circumstances, expected Increase in productivity and profitability by 8% in the next year.

Item No. 4

The present proposal is to seek the Shareholders' approval for the appointment of **Mr. Hrishit Parikh as a Whole Time Director (Executive)** in terms of the applicable provisions of the Companies Act, 2013.

Considering valuable contribution as well as responsibilities shouldered by Mr. Hrishit Parikh as a Whole Time Director (Executive Director), your directors at their meeting held on 10th July, 2021 have approved their appointment for a period of 3 years from 1st February, 2022 to 31st January, 2025 in accordance with provisions of section 196, 197, 203 and any other provisions applicable if any of the companies act 2013 read with rule 7 of the

companies (appointment and remuneration of Managerial Personnel) rules 2014.

The principal terms and conditions of appointment of **Mr. Hrishit Parikh as a Whole Time Director (Executive)** (hereinafter referred to as "the Appointee") including the terms of remuneration are given below:

Detail of major Term & Condition of reappointment are as follow

Particular	Mr. Hrishit Parikh
(A) Basic salary	Rs. 300000/- (Rupees Three Lakhs only per month)
(B) Term of appointment	1 st February 2022 to 31 st January, 2025

Perquisites and allowances

PART –A

- i. EXPENSES : Reimbursement of expenses on gas, electricity, water, house furnishing etc. will be paid at actuals.
- ii. MEDICAL REIMBURSEMENT: Reimbursement of Medical Expense actually incurred for self and family and medical insurance premium for the health of self and family.
- iii. LEAVE TRAVEL CONCESSION : For self and family to and from any palace in India once in year in accordance with the rules of the Company.
- iv. CLUB FEES: Fees paid to club, subject to a maximum of two (2) clubs be allowed, provided no admission or life membership fees shall be paid.
- v. PERSONAL ACCIDENT INSURANCE: Personal Accident premium for self.
- vi. WATCHMAN ETC : free service of sweeper, gardener and watchman at the residence of the appointee However, Aggregate monetary value of aforesaid perquisite in this part shall not exceed Rs 10 Lakhs per annum.

PART –B

- i. Company's Contribution toward provident fund to the extent it is not taxable.
- ii. Company's contribution toward superannuation fund ,if any ,to the extent it is not taxable.
- iii. Gratuity: Payable at rate not exceeding one half month salary for each completed year of service.
- iv. Leave: On full pay and allowances as per rules of the Company, but not more than one day leave for every ten day of service. Leave not availed of shall be allowed to be carried forward and to be encashed at the end of the tenure.

PART –C

- i. Car: Free use of Company's car with driver for Company's business purpose.
- ii. Telephone: Free telecommunication facilities at residence and cell phone.

He shall also be entitled to reimbursement of entertainment expenses actually and properly incurred for the business of the Company.

Minimum Remuneration: Notwithstanding anything contained, wherein in any financial year, during the currency of the tenure of Mr. Hrishit Parikh as a Whole Time -Executive Director of the Company, the Company has no profits or its profits are inadequate, the Company will pay remuneration by way of salary and perquisites as specified above but subject to the limit under Schedule V of the Companies Act, 2013.

Memorandum of interest: Except Mr. Vinaykumar Parikh, Managing Director and Mr. Hrishit Parikh, Whole Time - Executive Director being related to each other no other Directors/KMP or their relative shall be deemed to be financially or otherwise interested or concerned in the said

appointment.

Statement in compliance with Section II, of Part II of Schedule V of the Companies Act, 2013

GENERAL INFORMATION:

1)	Nature of Industry	:Engineering & Fabrication
2)	Date of expected date of Commencement of Commercial Production Company	:Existing
3)	In case of new Companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus.	:N.A.
4)	Financial performance based on given indicators (in lakhs) (a) Net profit/(Loss) (b) Effective Capital (c) Total Income	:RS. 5.98 :RS. 423.80 :RS. 301.93
5)	Export performance and net Foreign Exchange collaboration	N.A.
6)	Foreign Investments or collaborations, if any	N.A.

INFORMATION ABOUT THE APPOINTEE:

Particulars	Mr. Hrishit Parikh
1) Background details	The appointee is B.Tech.(Mechanical)& M.S. with industrial experience of about 6 Years.
2) Past Remuneration	Rs. 3,00,000/- per month plus other benefits as per Note No. 10 of Part-2 of Notes on Accounts
3)Recognition or awards	N.A.
4) Job Profile and his suitability	The appointee has tremendously contributed for the development of the Company as anExecutive Director since around last Six years and keeping in view suitable academic qualification and bright academic career of the appointee the Board of Directors of the Company is of the opinion that he is suitable person for holding the office of Whole Time Director. His dynamism will be an asset to the Company's progress. He is spearheading the launch of new machinery division of the company and is key to the development & successful manufacturing of the new machinery.

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5) Remuneration Proposed	Rs. 3,00,000/- per month plus other benefits as per Part A, B & C in the Explanatory Statement.
6) Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be w.r.t the country of his origin)	Not Available
7) Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel, if any:	The appointee is the Promoter of the Company and Son of Mr. Vinaykumar Parikh, Managing Director of the Company.

OTHER INFORMATION :

Reasons of loss or inadequate profits	<p>Wide fluctuation on raw material prices and Customer's resistance to accept price revision Forthwith, Lack of Demand, Increase in finance, fuel and other costs.</p> <p>The Foundry business was no longer financially viable for a medium size unit, such as ourselves due to very high fluctuation in the Raw material prices, increase in govt. compliances & fees, labour wage increment along with acute shortage of skilled foundry labours amid falling demand, bad security of payments from customers and diminishing margins.</p>
Steps taken or proposed to be taken	<p>Increase in customer base & turnover, prudent Use of resources, expenditure control, Improvement and increased production activities and developing new products.</p> <p>The core business of the company has been pivoted to an engineering unit from a Foundry unit. In the foundry business we were manufacturing intermediate products, now we will design & manufacture final machinery to be sold to end consumers. It is a shift from B to B model to a B to C model which will help better our profit margins & secured the company's future along with generating it mental prosperity for the company. A new brand has been launched by the name of "VINI" for the crushing & hydraulic segment of machinery to be manufactured by the company.</p>

Expected increase in Productivity

Barring unforeseen circumstances, expected Increase in productivity and profitability by 8% in the next year.

NOTES FOR MEMBERS' ATTENTION

- 1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING ("MEETING") IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF OR HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.**

The instrument appointing Proxies, in order to be effective, must be received in the annexed Proxy Form at the Registered Office of the Company not less than forty-eight (48) hours before the time fixed for commencement of the Meeting.

A person shall not act as Proxy on behalf of members for more than Fifty (50) in number and holding in the 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.

- 2.** Corporate Members intending to send their authorized representatives to attend the meeting pursuant to Section 113 of the Companies Act, 2013 are requested to send the Companies certified Copy of the relevant Board Resolution together with their representative specimen signatures authorized their representative(s) to attend and vote on behalf at meeting.
- 3.** The Register of Beneficial Owners, Register of Members and Share

Transfer Books of the Company shall remain closed from **Saturday, the August 21, 2021 to Monday, the August 30, 2021**. (both days inclusive).

4. Members are requested to notify immediately any change in their address to the Company or MCS Share Transfer Agents Limited, Registrar and Share Transfer Agent.

5. E-Voting:

In compliance with the provisions of Section 108 of the Companies Act, 2013, read with rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015, the Company is pleased to provide to the Members the facility of e-voting on resolutions proposed to be considered at the Meeting. The facility of casting the votes by the Members using an electronic voting system for a place other than venue of the Meeting ("remote e-voting") will be provided by Central Depository Services (India) Limited (CDSL). The Members who have cast their votes by remote e-voting prior to the Meeting may also attend the Meeting but shall not be entitled to cast their votes again. The e-voting rights of the shareholders/beneficial owners shall be reckoned on the Equity Share held by them as on **Monday, the August 16th, 2021** (cut-off date).

PROCEDURE FOR E-VOTING:

The instructions for shareholders voting electronically through remote e-voting facility are as under:

- I. The remote e-voting period begins on Monday, the August 23rd 2021 at 9.00 A.M. and ends on Wednesday, the August 25th, 2021 at 5.00 P.M. During this period Members' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of

Monday the August 16th, 2021, may cast their vote by remote e-voting. Once the vote on a resolution is cast by e-voting, the Members shall not be allowed to change it subsequently. Thereafter, the e-voting module shall be disabled by CDSL and Members shall not be allowed to vote electronically upon disablement of such remote e-voting facility. Any person who is not a Member as on the cut-off date should treat this Notice for information purpose only.

- ii.** The Members should log on to the e-voting website www.evotingindia.com.
- iii.** Click on SHAREHOLDERS/MEMBERS tab.
- iv.** Now Enter your User ID
 - a) For CDSL: 16 digits beneficiary ID,
 - b) For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c) Members holding shares in Physical Form should enter Folio Number registered with the Company.
- v.** Next enter the Image Verification as displayed and Click on Login.
- vi.** If you are holding shares in demate form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- vii.** If you are a first time user follow the steps given below:

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

- viii. After entering these details appropriately, click on "SUBMIT" tab.
- ix. Members holding equity shares in physical form will then directly reach the Company selection screen. However, Members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat account holders for voting for resolutions of any other company on which they are eligible to vote, provided that such company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- x. For members holding shares in physical form, the details can be used only for e-voting on the Resolutions contained in the Notice.
- xi. Click on the 'EVSN: **210705005**' for '**Shree Sponge Steel and Casting Limited**' on which you choose to vote.
- xii. On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- xiii. Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- xiv. After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- xv. Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- xvi. You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- xvii. If a demat account holder has forgotten the login password, then enter the User ID and the image verification code and click on "Forgot Password" and enter the details as prompted by the system.
- xviii. Members can also cast their vote using CDSL's mobile app "m-Voting". The m-Voting app can be downloaded for android mobiles from Google Play Store and also from similar facilities in Apple and Windows phone.

Please follow the instructions as prompted by the mobile app while voting on your mobile.

xix. Note for Non – Individual Members and Custodians

- (a) Non-Individual Members (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.Com and [register themselves as Corporate.](#)
- (b) A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk evoting@cdslindia.com.
- (c) After receiving the login details a compliance user would be able to link the account(s) for which they wish to vote on.
- (d) The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- (e) A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

xx. In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com.

xxi. The results shall be declared on or after the Meeting of the Company and shall be deemed to be passed on the date of Meeting. The results declared, alongwith the report of the Scrutinizer shall be placed on the website of the Company www.shreesponge.com and on the website of CDSL Within three days of the passing of the resolution at the AGM of the Company on 30th August, 2021.

xxii. The Company has appointed M/s. Preyansh Shah & Associates, Practicing Company Secretaries Firm, Vadodara as Scrutinizer for conducting the e-voting process in fair and transparent manner.

xxiii. Instructions for Members for E-Voting on the day of the AGM are as under:-

1. The procedure for e-Voting on the day of the AGM is same as the

instructions mentioned above for remote e-voting.

2. Only those Members/ shareholders, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.
3. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting.

xxiv. Instructions for Members for attending the AGM through VC/OAVM are as under

1. The link for VC/OAVM will be sent to those Members whose email addresses are registered with the Company or Depository Participants/ Company's Registrar and Share Transfer Agent (RTA) i.e. MCS Share Transfer Agents Limited.
2. Members are encouraged to join the Meeting through Laptops for better experience.
3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to fluctuation in their respective network. It is therefore recommended to use stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.

xviii. A person who has acquired shares and become a Member of the Company after the dispatch of notice of AGM and holding shares as of cut-off date, may obtain the login ID and password by sending a request at evoting@cdslindia.com. However, if the person is already registered with CDSL for remote e-voting then the existing user ID and password can be used for casting vote.

SHREE SPONGE STEEL AND CASTING LIMITED

Director's Report

To,
The Members of
Shree Sponge Steel And Casting Limited

Your Directors have pleasure in presenting the 30th Director's Report of your Company together with the Audited Statement of Accounts and the Auditors' Report thereon, of your company for the financial year ended, 31st March, 2021.

FINANCIAL HIGHLIGHTS

Particulars	F.Y.:20 20-21	F.Y.: 2019-20
Revenue from Operations	3,00,97,434.00	11,04,79,431.00
Other Income	96,128.00	2,03,134.00
Total Income	3,01,93,562.00	11,06,82,565.00
Depreciation	49,95,531.00	63,40,089.00
Tax		
Current Tax	0.00	0.00
Deferred Tax	-49,27,684.00	-12,71,707.00
Profit/(Loss) after Tax	5,98,833.00	-2,98,25,146.00
Earnings per share (Rs.) :		
Basic	0.14	-7.04
Diluted	0.14	-7.04

STATE OF COMPANY'S AFFAIRS

The Company is engaged in the Manufacture of Basic Iron & Steel and during the year under review, the total Income of the Company was Rs 3,00,97,434/- against Rs 11,06,82,565/- in the previous year which shows the decrease in revenue by 73%. During the period, The Company has earned Profit after Tax of Rs. 5,98,833/- compared to Loss of Rs 2,98,25,146/- in the previous year.

TRANSFER TO RESERVES IN TERMS OF SECTION 134 (3) (J) OF THE COMPANIES ACT, 2013

For the financial year ended 31st March, 2021, the Company has not transferred any amount to its Reserves Account. Hence, your Company remained the balance of profit to Profit and Loss Accounts of the Company to Surplus Account.

SHARE CAPITAL STRUCTURE OF THE COMPANY:

a) Authorized Capital:

Rs. 20,00,00,000/- (Rs. Twenty Crore Only) divided into 2,00,00,000 Equity Shares of Rs. 10/- each.

b) Issued Capital:

Rs. 4,23,80,000/- (Rs. Four Crore Twenty Three Lac Eighty Thousand Only) divided into 42,38,000 Equity Shares of Rs. 10 /- each.

c) Subscribed and Paid-up Capital:

Rs. 4,23,80,000/- (Rs. Four Crore Twenty Three Lac Eighty Thousand Only) divided into 42,38,000 Equity Shares of Rs. 10 /- each.

ANNUAL RETURN

The Extract of Annual Return as required under section 92(3) of the Companies Act, 2013 in Form MGT-9 is annexed herewith for your kind perusal and information. (Annexure: 1)

MEETINGS OF THE BOARD OF DIRECTORS

The following Meetings of the Board of Directors were held during the Financial Year 2020-21:

SN	Date of Meeting	Board Strength	No. of Directors Present
1	27.06.2020	4	4
2	22.07.2020	4	4
3	27.08.2020	4	4
4	28.11.2020	4	4
5	20.02.2021	4	4

SHREE SPONGE STEEL AND CASTING LIMITED

PRESENCE/ATTENDANCE OF DIRECTORS IN THE MEETINGS

SN	Name of Director	Board Meeting			Committee Meeting			AGM 29/08/2020
		No of Meeting held	No of Meeting attended	%	No of Meeting held	No of Meeting attended	%	
1	Vinaykumar Purushottamdas Parikh	5	5	100.00	-	-	-	Yes
2	Hrishit Vinay Parikh	5	5	100.00	-	-	-	Yes
3	Nandkishor Mulchand Pardeshi	5	5	100.00	-	-	-	Yes
4	Hasmukhlal Vithaldas Shah	5	5	100.00	-	-	-	Yes

BOARD OF DIRECTORS

The Board of Directors of the company duly constituted. There is no Change made during the year under review.

DIRECTORS RETIRING BY ROTATION

In terms of Section 152 and other applicable provisions, if any, of the Act, Mr. Nandkishor Mulchand Pardeshi retires by rotation at this Annual General Meeting and being eligible offers himself for re-appointment. Your Board recommends appointment of Mr. Nandkishor Mulchand Pardeshi, retiring director at the forthcoming AGM of Company in terms of Section 152 of the Act.

Disqualifications of Directors

None of the Director has been disqualified to act as a Director under the provisions of Section 164, of the Companies Act, 2013

LOANS, GUARANTEES AND INVESTMENTS

The Company has not made / given / advanced any Loan, Guarantee and Investment during the financial year covered under section 186 of the Companies Act, 2013.

RELATED PARTY TRANSACTIONS

All contracts / arrangements / transactions entered by the Company during the financial year with related parties were in the ordinary course of business and on an arm's length basis. During the year, the Company had not entered into any contract

/ arrangement / transaction with related parties which could be considered material in accordance with the policy of the Company on materiality of related party transactions

Further all the necessary details of transaction entered with the related parties as defined under Section 188 of the Companies Act, as defined under Section 2 (76) of the said Act are attached herewith in form no. AOC-2 for your kind perusal and information.

STATUTORY AUDITOR AND AUDITORS' REPORT

M/s. Mayur Amin & Associates, Chartered Accountant, Vadodara were appointed as Statutory Auditors for a period of 5 years in the (27th) Annual General Meeting held on 3rd September, 2018. They have confirmed that they are not disqualified from continuing as Auditors of the Company. The requirement to place the matter relating to appointment of auditors for ratification by members at every Annual General Meeting is withdrawn vide notification dated May 7, 2018 issued by Ministry of Corporate Affairs, New Delhi. Accordingly, no resolution is proposed for ratification of appointment as Auditors.

There are no observations (including any qualification, reservation, adverse remark or disclaimer) of the Auditors in their Audit Report that may call for any explanation from the Directors. Further, the Notes forming part of Financial Statements referred to in Auditors Report are self-explanatory and need no further explanation.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION & FOREIGN EXCHANGE EARNINGS AND OUTGO

Information on conservation of Energy, Technology absorption, Foreign Exchange earnings and outgo required to be disclosed under Section 134 of the Companies Act, 2013 read with Companies (Accounts) Rules, 2014 are provided hereunder:

PARTICULARS		REMARKS
A)	Conservation of Energy	Nil
B)	Technology Absorption	Nil
C)	Foreign Exchange Earnings And Outgo	Nil

DETAILS OF SUBSIDIARY/ JOINT VENTURES/ ASSOCIATE COMPANIES

Neither the Company has any subsidiary/joint venture/associate companies nor any other company has become or ceased to be subsidiary/joint venture/associate company during the period under review.

RISK MANAGEMENT

Risks are events, situations or circumstances which may lead to negative consequences on the Company's businesses. Risk management is a structured approach to manage uncertainty. A formal enterprise wide approach to Risk Management is being adopted by the Company and key risks will now be managed within a unitary framework. As a formal roll-out, all business processes and corporate functions will embrace Risk Management Policy and Guidelines, and make use of these in their decision making. Key business risks and their mitigation are considered in the annual/strategic business plans and in periodic management reviews. The risk management process over the period of time will become embedded into the Company's business systems and processes, such that our responses to risks remain current and dynamic.

DETAILS OF REVISION OF FINANCIAL STATEMENT OR ANNUAL REPORT

No revision of the financial statement or Annual report has been revised during Financial Year 2020-21 for any of the three Preceding financial year.

INTERNAL FINANCIAL CONTROLS

The Companies Act, 2013 re-emphasizes the need for an effective Internal Financial Control system in the Company. The system should be designed and operated effectively. Rule 8(5) (viii) of Companies (Accounts) Rules, 2014 requires the information regarding adequacy of Internal Financial Controls with reference to the financial statements to be disclosed in the Board`s report. To ensure effective Internal Financial Controls the Company has laid down the following measures:

1. The internal financial control systems are commensurate with the size and nature of its operations.
2. All legal and statutory compliances are ensured on a monthly basis. Non-compliance, if any, is seriously taken by the management and corrective actions are taken immediately. Any amendment is regularly updated by

internal as well as external agencies in the system.

3. Approval of all transactions is ensured through a preapproved Delegation of Authority Schedule which is reviewed periodically by the management.

DEPOSITS

The Company has not accepted deposits from the public within the meaning of Section 73 of the Companies Act, 2013 but accepted from its directors under sub rule 1 clause (C) sub clause (Viii) of rule 2 of Companies (Acceptance of Deposits) Rules 2014.

SECRETARIAL AUDITORS

The Secretarial Audit is not applicable on the company as it is not covered under the provisions of Section 204 of the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

The Company does not meet the criteria of Section 135 of Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014 so there is no requirement to constitution of Corporate Social Responsibility Committee.

COMPOSITION OF AUDIT COMMITTEE

The provision of section 177 relating to Audit committee is not applicable on the company.

DIVIDEND

Your Directors do not recommend any dividend for the year ended 31st March, 2021.

MATERIAL CHANGES AND COMMITMENTS, IF ANY, CRITERIA SPECIFY

There was no material changes and no commitment made by the directors affecting financial position of the company. So no criteria need to be specified for the year.

CHANGE IN THE NATURE OF BUSINESS

The core business of the company has been pivoted to an engineering unit from a

foundry unit. Instead of manufacturing intermediate products we manufacturing now design and manufacture final machinery to be sold to end consumers. It is a shift from a B to B model to B to C model. A new brand has been launched by the name of "VINI" for the crushing & hydraulic segments of machinery to be manufactured by the company.

NO TRANSFER OF ANY AMOUNT/ /SHARES TO INVESTOR EDUCATION AND PROTECTION FUND

Since there was no amount unpaid/unclaimed Dividend to be transferred to Investor Education & Protection Fund (IEPF) during the year under review pursuant to provisions of Section 125 of the companies Act, 2013 and accordingly no amount is transferred to IEPF.

COMPLIANCE WITH SECRETARIAL STANDARDS

Pursuant to the provisions of Section 118 (10) of the Companies Act, 2013, compliance with secretarial standards relating to General Meeting and Board Meeting specified by the Institute of Company Secretaries of India (ICSI) as approved by the Central Government is mandatory effective from July 1, 2015. The Company is adhering to the standards issued by the ICSI.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134(5) of the Companies Act, 2013 the Board of Directors of the Company confirms that-

- a) In the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures, if any;
- b) The directors had 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 had 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 had prepared the annual accounts on a going concern basis;

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

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

COST AUDIT

Pursuant to Section 148 of the Companies Act, 2013 read with The Companies (Cost Records and Audit) Amendment Rules, 2014, the cost audit records maintenance is not applicable on the company.

COMPANY'S POLICY ON DIRECTOR'S APPOINTMENT AND REMUNERATION

The Company is not covered under section 178(1) of the Act read with Rule 6 of the companies (Meeting of Board and its power) Rules, 2014,the company's policy on Directors' appointment and remuneration within the meaning of section 134(3)(e) of the Act.

STATEMENT ON COMPLIANCE OF APPLICABLE SECRETARIAL STANDARDS:

In terms of clause no.9 of Revised SS-1 (Revised Secretarial Standards on Meetings of Board of Directors effective from 01.10.2017), your Directors state that The Company is in compliance with the same during the year under review.

BOARD EVALUATION

Since the company is neither a Listed Company nor a public Company having paid up share capital of Rs.25 crores or more, the company is not required to include statement of formal annual evaluation of Board its committees and Directors within the meaning of Section 134(3)(p) of the Companies Act,2013 read with Rule 8(4) of the Companies(Accounts)Rules,2014.

Hence, The provision of section 134(3)(p) relating to board evaluation is not applicable on the company.

CONSTITUTION OF NOMINATION AND REMUNERATION COMMITTEE

The provisions of Section 178(1) relating to constitution of Nomination and Remuneration Committee are not applicable to the Company and hence the Company has not devised any policy relating to appointment of Directors, payment of Managerial remuneration, Directors qualifications, positive attributes, independence of Directors and other related matters as provided under Section 178(3) of the Companies Act, 2013.

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

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

Internal Complaints Committee (ICC) has been set up to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under this policy.

APPOINTMENT OF INDEPENDENT DIRECTORS IN THE BOARD AND DECLARATION UNDER SECTION 149(6)

The provisions of Section 149 pertaining to the appointment of Independent Directors do not apply to our Company.

PARTICULARS OF EMPLOYEES

No Employees were employed by the company falling within Section 197 read with Rule, 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. Hence, No Disclosure has been furnished as required under Section 197 of the Companies Act, 2013 read with Rule-5 of the Companies (Appointment and remuneration) Rules, 2014.

REPORTING OF FRAUDS

There have been no instance of fraud reported by Statutory Auditor under section

143(12) of the Act and Rules framed there under either to the Company or to the Central Government.

VIGIL MECHANISM / WHISTLE BLOWER POLICY

The Company is not required to form such policy.

HUMAN RESOURCES AND INDUSTRIAL RELATIONS

The Company takes pride in the commitment, competence and dedication of its employees in all areas of the business. The Company has a structured induction process at all locations and management development programs to upgrade skills of managers. Objective appraisal systems based on key result areas (KRAs) are in place for senior management staff.

HEALTH, SAFETY AND ENVIRONMENT PROTECTION

Company's Health and Safety Policy commits to comply with applicable legal and other requirements connected with occupational Health, Safety and Environment matters and provide a healthy and safe work environment to all employees of the Company.

REGULATORY ACTION

There are no significant and material orders passed by the regulators or courts or Tribunals that could impact the going concern status and operations of the company in future.

CAUTIONARY STATEMENT

The statements contained in the Board's Report contain certain statements relating to the future and therefore are forward looking within the meaning of applicable laws and regulations.

Various factors such as economic conditions, changes in government regulations, tax regime, other statutes, market forces and other associated and incidental factors may however lead to variation in actual results.

GENERAL

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

SHREE SPONGE STEEL AND CASTING LIMITED

1. Details relating to deposits covered under Chapter V of the Act.
2. Issue of equity shares with differential rights as to dividend, voting or otherwise.
3. Issue of shares (including sweat equity shares) to employees of the Company under any scheme save and except ESOS referred to in this Report.
4. No significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operations in future.

Your directors further state that during the year, there were no cases filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

ACKNOWLEDGEMENT

Your Directors wish to express their grateful appreciation to the continued co-operation received from the Banks, Government Authorities, Customers, Vendors and Shareholders during the year under review. Your Directors also wish to place on record their deep sense of appreciation for the committed service of the Executives, staff and Workers of the Company.

Date : 29/05/2021
Place: Por, Dist.: Vadodara

**For & on behalf of the Board of Directors
For, SHREE SPONGE STEEL AND CASTING LIMITED**

**Mr. Vinaykumar Purushottamdas Parikh
DIN : 00258864
(Chairman & Managing Director)**

Contact Us :

**SHREE SPONGE STEEL AND CASTING LIMITED
6/1/1, GIDC, POR-Ramangamdi,
National Highway No 8, Vadodara - 391243 Gujarat**

CIN: U27100GJ1991PLC016203 | E-mail: hrishparikh@shreesponge.com

SHREE SPONGE STEEL AND CASTING LIMITED**Form No. MGT-9****EXTRACT OF ANNUAL RETURN****As on the financial year ended on 31/03/2021****[Pursuant to Section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]****I. REGISTRATION AND OTHER DETAILS :**

- i) CIN U27100GJ1991PLC016203
- ii) Registration Date 03/09/1991
- iii) Name of the Company SHREE SPONGE STEEL AND CASTING LIMITED
- iv) Category / Sub-Category of the Company Public Company
Limited by shares
Company having share capital
- v) Address of the Registered office and contact details 6/1/1, GIDC,POR-Ramangamdi, National Highway No 8, Vadodara - 391243 Gujarat
Email : hrishparikh@shreesponge.com
- vi) Whether listed company No
- vii) Name, Address and Contact details of Registrar and Transfer Agent, if any M/S. MCS Share Transfer Agents Limited
1st Floor, Neelam Apartment,
88, Sampatrao Colony
Above Chappanbhog,
Alkapuri, Vadodara
[Tel:0265 2314757](tel:02652314757), Fax: 0265 2341639
Email: mcsltbaroda@gmail.com

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY :

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

Sl. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1	Manufacturing and Marketing of Steel and Alloys Steel Casting.	24319	51%
2	Trading of Metal Scrap	46699	49%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES :

S.NO	NAME AND ADDRESS OF THE COMPANY	CIN/GLN	HOLDING/ SUBSIDIARY/ ASSOCIATE	% of shares held	Applicable Section
	-	-	-	-	-

SHREE SPONGE STEEL AND CASTING LIMITED

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity) :

i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/HUF	2182915		2182915	51.51	2182915		2182915	51.51	0
b) Central Govt									
c) State Govt (s)									
d) Bodies Corp.									
e) Banks / FI									
f) Any Other....									
Sub-total (A) (1):-	2182915		2182915	51.51	2182915		2182915	51.51	0
(2) Foreign									
a) NRIs - Individuals									
b) Other - Individuals									
c) Bodies Corp.									
d) Banks / FI									
e) Any Other....									
Sub-total (A) (2):-									
Total shareholding of Promoter (A) = (A)(1)+(A)(2)	2182915		2182915	51.51	2182915		2182915	51.51	0
B. Public Shareholding									
1. Institutions									
a) Mutual Funds									
b) Banks / FI									
c) Central Govt									
d) State Govt(s)									
e) Venture Capital Funds									
f) Insurance Companies									
g) FIs									
h) Foreign Venture Capital Funds									
i) Others (specify)									
Sub-total (B)(1):-									

SHREE SPONGE STEEL AND CASTING LIMITED

2. Non-Institutions									
a) Bodies Corp.	5800	700	6500	0.15	5700	700	6400	0.15	
i) Indian									
ii) Overseas									
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 2 lakh	288985	1755600	2044585	48.25	289185	1755500	2044685	48.25	(0.01)
ii) Individual shareholders holding nominal share capital in excess of Rs 2 lakh "									
c) Others (specify)	4000		4000	0.09	4000		4000	0.09	
Sub-total (B)(2):-	298785	1756300	2055085	48.49	298885	1756200	2055085	48.49	
Total Public Shareholding (B)=(B)(1)+(B)(2)	298785	1756300	2055085	48.49	298885	1756200	2055085	48.49	
C. Shares held by Custodian for GDRs & ADRs									
Grand Total (A+B+C)	2481700	1756300	4238000	100%	2481800	1756200	4238000	100	

(ii) Shareholding of Promoters

Sl No.	Shareholder's Name	Shareholding at the beginning of the year			Share holding at the end of the year			% change in share holding during the year
		No. of Shares	% of total Shares of the company	%of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	%of Shares Pledged / encumbered to total shares	
1	Vinaykumar P Parikh	18,28,315	43.14	0	18,28,315	43.15	0	
2	Hrshit V Parikh	1,73,600	4.09	0	1,73,600	4.09	0	
3	Vandana V Parikh	1,81,000	4.27	0	1,81,000	4.27	0	
	Total	21,82,915	51.51	0	21,82,915	51.51	0	

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

Sl. No.	Name	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
			No. of Shares	% of total Shares of the company	No. of Shares	% of total Shares of the company
		At the beginning of the year	21,82,915	51.51	21,82,915	51.51
		Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	NIL			
		At the End of the year	21,82,915	51.51	21,82,915	51.51

SHREE SPONGE STEEL AND CASTING LIMITED

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

Sl. No.	Name Name of Shareholders	Particulars	Shareholding at the beginning of the year		Shareholding at the end of the year	
			No. of Shares	% of total Shares of the company	No. of Shares	% of total Shares of the company
1	Rashmi Kiran Nandu		7100	0.16	7100	0.16
2	Sunita Devi Hisaria		5000	0.11	5000	0.11
3	Rajeshkumar		2700	0.06	2700	0.06
4	Keyur C Parikh		2000	0.04	2000	0.04
5	Nuttanben G. Shah		1800	0.04	1800	0.04
6	Blue Chip India Limited		1800	0.04	1800	0.04
7	Bhavini Bharatbhai Shah		1600	0.03	1800	0.04
8	Rajendra Prasad Rakhecha		1800	0.04	1800	0.04
9	Rajkumar Bhutwani		1700	0.04	1700	0.04
10	Vinayben Mangalchand Mehta		1600	0.03	1600	0.03

(v) Shareholding of Directors and Key Managerial Personnel

Sl. No.	Particulars For Each of the Directors and KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the company	No. of Shares	% of total Shares of the company
	At the beginning of the year				
	1. Vinaykumar P Parikh	18,28,315	43.14	18,28,315	43.14
	2. Hrishit Parikh	1,73,600	4.09	1,73,600	4.09
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	NIL	NIL	NIL	NIL
	At the End of the year				
	1. Vinaykumar P Parikh	18,28,315	43.14	18,28,315	43.14
	2. Hrishit Parikh	1,73,600	4.09	1,73,600	4.09

V. INDEBTEDNESS :

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

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	3,15,18,577	1,93,39,236	-	5,08,57,813
ii) Interest due but not paid				
iii) Interest accrued but not due				
Total (i+ii+iii)	3,15,18,577	1,93,39,236	-	5,08,57,813
Change in Indebtedness during the financial year				
Addition			-	
Reduction	3,15,18,577	10,74,981		3,25,93,558
Net Change	-3,15,18,577	-10,74,981	-	-3,25,93,558
Indebtedness at the end of the financial year				
i) Principal Amount	-	1,82,64,255	-	1,82,64,255
ii) Interest due but not paid				
iii) Interest accrued but not due				
Total (i+ii+iii)	-	1,82,64,255	-	1,82,64,255

SHREE SPONGE STEEL AND CASTING LIMITED

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL :

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

Sl. no.	Name of MD/WTD/Manager	Gross salary			Stock Option	Sweat Equity	Commission		Others	Total	Ceiling as per the Act
		(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961			as % of profit	others			
1	Vinaykumar Purushottamdas Parikh	35,00,000	1,51,802	0	0	0	0	0	0	36,51,802	
2	Hrishit Vinay Parikh	30,00,000	1744	0	0	0	0	0	0	30,01,744	

B. Remuneration to other directors

Sl.no.	Name of Directors	Independent Directors			Total (1)	Other Non-Executive Directors			Total (2)	Total (1+2)	Total Managerial Remuneration	Overall Ceiling as per the Act
		Fee for attending board / committee meetings	Com mission	Oth ers		Fee for attending board committee meetings	Com mission	Oth ers				
1	Hasmukhlal Vithaldas Shah	25,000	0	0	25,000		0	0	0	25,000		
2	Nandkishor Mulchand Pardeshi	25,000	0	0	25,000		0	0	0	25,000		

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

Sl.no.	Name of Key Managerial Personnel	Gross salary			Stock Option	Sweat Equity	Commission		Others	Total
		(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961			as % of profit	others		
	-	-	-	-	-	-	-	-	-	-

SHREE SPONGE STEEL AND CASTING LIMITED

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES :

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

Date : 29/05/2021
Place: Por, Dist.: Vadodara

**For & on behalf of the Board of Directors
For, SHREE SPONGE STEEL AND CASTING LIMITED**

**Mr. Vinaykumar Purushottamdas Parikh
DIN : 00258864
(Chairman & Managing Director)**

INDEPENDENT AUDITOR'S REPORT

TO, THE MEMBERS OF SHREE SPONGE STEEL AND CASTING LIMITED.

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of Shree Sponge Steel and Casting Limited (*formerly known as Shree Sponge Steel and Forging Limited*) ("the Company"), which comprise the Balance Sheet as at March 31, 2021, the Statement of Profit and Loss, and the Statement of Cash Flows for the year ended on that date, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the 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, profit, and its cash flows for the year ended on that date.

Basis for Opinion

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

Information Other than the Standalone Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the

Company's Annual Report, but does not include the standalone financial statements and our auditor's report thereon. Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

The other information is expected to be made available to us after the date of this auditor's report. Our opinion on the financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

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, total comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards prescribed under Section 133 of the Act read with the relevant rules issued thereunder. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, 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 are responsible for overseeing the Company's financial reporting process.

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

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

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

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

We communicate with those charged with governance regarding, among other

matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

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

Report on Other Legal and Regulatory Requirements

- I. 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.
- II. 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 Statement of Cash Flow dealt with by this Report are in agreement with the books of account;
 - d) In our opinion, the aforesaid standalone financial statements comply with the applicable Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
 - e) On the basis of the written representations received from the directors as on March 31, 2021 taken on record by the Board of Directors, none of the directors

SHREE SPONGE STEEL AND CASTING LIMITED

is disqualified as on March 31, 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 B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting;
- g) In our opinion and to the best of our information and according to the explanations given to us, we report as under with respect to other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014:
 - i. The Company does not have any pending litigations which would impact its financial position;
 - ii. According to the information and explanations given to us, the company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses;
 - iii. There are no amounts that are required to be transferred to the Investor Education and Protection Fund by the company.

For MAYUR AMIN & ASSOCIATES.,
CHARTERED ACCOUNTANTS
Firm Reg. No. 122470W

CA MAYUR AMIN
PROPRIETOR
M. No. 111697
UDIN: 21111697AAAA JN8324

Vadodara, 29th May 2021

“Annexure A” referred to in paragraph 1 under “Report on Other Legal and Regulatory Requirements” section of report on financial statements of even date to the members of M/s Shree Sponge Steel and Casting Limited (*formerly known as Shree Sponge Steel and Forging Limited*) on the financial statement for the year ended 31st March 2021.

- i.(a) The Company is maintaining proper records showing full particulars including quantitative details and situation of its fixed assets.
- (b) The fixed assets of the Company in its possession, are physically verified by the management according to a phased programme designed to cover all the items 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 programme a portion of the fixed assets have been verified by the management during the year and no material discrepancies between the book records and the physical inventory has been noticed. Confirmations have been received in respect of fixed assets lying with third parties.
- c) According to the information and explanations given to us and to the best of the our knowledge and belief the title deeds of immovable properties are held in name of the Company.
- ii. The inventory (excluding stocks with third parties and materials in transit) has been physically verified by the management during the year. In our opinion the frequency of verification is reasonable.
- iii. In our opinion and according to the information and explanations given to us, the Company has not granted any loans secured or unsecured to companies, firms, limited liability partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Accordingly sub-clauses (a), (b) and (c) of clause 3 (iii) of the Order are not applicable to the Company.
- iv. In our opinion and according to the information and explanations given to us, the Company in respect of loans, investments, guarantees and security, provisions of section 185 and 186 of the Companies Act, 2013 has been complied with.
- v. In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits within the meaning of Section 73 to section 76 or any other relevant provisions the Companies Act, 2013 and the rules framed there under.
- vi. In our opinion and according to the information and explanations given to us, maintenance of Cost Records has been prescribed by the Central Government under sub-section (1) of section 148 of the Companies Act 2013 and we are of the opinion that prima facie the prescribed cost records have been maintained.
- vii. According to the information and explanations given to us and the records of the Company examined by us in respect of statutory and other dues:
 - (a) The Company is generally regular in depositing undisputed statutory dues, including Provident Fund, Investor Education and Protection Fund, Employees State Insurance, Income Tax, Sales Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, Cess, GST and other statutory dues with the appropriate authorities in India. According to the information and explanations given to us, there are no undisputed amount payable in respect of any such statutory dues which have remained outstanding as at 31st March 2021 for a period more than six months from the date they became payable.

SHREE SPONGE STEEL AND CASTING LIMITED

- (b) There are no dues of Sales Tax, Income Tax/Wealth tax, GST, Excise/Service Tax which has not been deposited on account of any dispute.
- viii. According to the records of the Company examined by us and the information and explanations given by the management, we are of the opinion that, the Company has not defaulted in repayment of dues to financial institutions or banks as at the balance sheet date.
- ix. According to the information and explanations given to us and to the best of the our knowledge and belief, term loans availed by the Company were, prima facie, applied by the Company during the year for the purpose for which the loans were obtained, other than temporary deployment pending applications.
- x. During the course of our examination of books of account and records of the Company, carried out in accordance with the generally accepted auditing practices in India and according to information and explanation given to us, we have neither come across any instance of material fraud on or by the Company, noticed or reported during the year, nor have been informed of such cases by the management.
- xi. According to the information and explanations given to us and to the best of the our knowledge and belief, managerial remuneration has been paid/provided with requisite approvals mandated in the provision of section 197 read with Schedule V of the Companies Act 2013.
- xii. In our opinion and according to the information and explanation given to us the Company is not a Nidhi Company. Therefore, the provisions of clause 3(xii) of the Order are not applicable to the Company.
- xiii. According to the information and explanations given to us and to the best of the our knowledge and belief all transactions with related parties are in compliance with section 177 and 188 of the Companies Act 2013 wherever applicable and the details of transactions with related parties have been disclosed in the financial statements as required by the applicable accounting standards.
- xiv. The Company has not made during the year any preferential allotment or private placement of shares or fully or partly convertible debentures. Therefore, the provisions of clause 4(xiii) of the Order are not applicable to the Company.
- xv. According to the information and explanations given to us and to the best of our knowledge and belief the Company has not entered into any non cash transaction with directors or persons connected with the directors. (Section 192)
- xvi. According to the information and explanations given to us and to the best of the our knowledge and belief the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For MAYUR AMIN & ASSOCIATES.,
CHARTERED ACCOUNTANTS
Firm Reg. No. 122470W

CA MAYUR AMIN
PROPRIETOR
M. No. 111697
UDIN: 21111697AAAA JN8324

Vadodara, 29th May 2021

“Annexure B” referred to in paragraph 2(f) under “Report on Other Legal and Regulatory Requirements” section of report on financial statements of even date to the members of M/s Shree Sponge Steel and Casting Limited (*formerly known as Shree Sponge Steel and Forging Limited*) on the financial statements for the year ended 31st March 2021

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

Opinion

We have audited the internal financial controls over financial reporting of M/s Shree Sponge Steel and Casting Limited (“the Company”) as of March 31, 2021 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

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 March 31, 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.

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. 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 my /our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

For MAYUR AMIN & ASSOCIATES.,
CHARTERED ACCOUNTANTS
Firm Reg. No. 122470W

CA MAYUR AMIN
PROPRIETOR
M. No. 111697
UDIN: 21111697AAAA JN8324

Vadodara, 29th May 2021

SHREE SPONGE STEEL AND CASTING LIMITED

SHREE SPONGE STEEL AND CASTING LIMITED

(Formerly : Shree Sponge Steel & Forging Ltd)

BALANCE SHEET AS AT 31.03.2021

PARTICULARS	NOTE NO.	As At 31/03/2021	As At 31/03/2020
I EQUITY AND LIABILITIES			
1 SHAREHOLDERS FUNDS			
(a) Share Capital	A	4,23,80,000	4,23,80,000
(b) Reserves and Surplus	B	(3,06,32,827)	(3,12,31,660)
TOTAL(1)		1,17,47,173	1,11,48,340
2 NON-CURRENT LIABILITIES			
(a) Long Term Borrowings	C	-	-
(b) Deferred Tax Liabilities (Net)		2,04,522	51,32,206
(c) Long-Term Provisions	D	34,62,913	30,50,810
TOTAL(2)		36,67,435	81,83,016
3 CURRENT LIABILITIES			
(a) Short Term Borrowings	E	1,82,64,255	5,08,57,813
(b) Trade Payables	F	1,52,413	6,36,707
(c) Other Current Liabilities	G	4,04,464	9,91,361
(d) Short Term Provisions	H	41,93,412	39,14,804
TOTAL(3)		2,30,14,544	5,64,00,685
TOTAL(1+2+3)		3,84,29,152	7,57,32,041
II ASSETS			
1 NON-CURRENT ASSETS			
(a) Fixed Assets			
(i) Tangible Assets	I	2,63,11,412	5,31,68,106
(ii) Intangible Assets	J	-	48,954
(b) Non-Current Investments	K	1,32,673	1,32,673
(c) Long-Term Loans and Advances	L	8,40,134	35,21,781
TOTAL(1)		2,72,84,219	5,68,71,514
2 CURRENT ASSETS			
(a) Inventories	M	92,39,362	1,50,15,040
(b) Trade Receivables	N	4,38,444	19,03,139
(c) Cash and Cash Equivalents	O	4,61,342	3,423
(d) Short-Term Loans and Advances	P	3,16,543	6,52,972
(e) Other Current Assets	Q	6,89,242	12,85,953
TOTAL(2)		1,11,44,933	1,88,60,527
TOTAL(1+2)		3,84,29,152	7,57,32,041
Notes forming part of Accounts		R	
As per our annexed report of even date For MAYUR AMIN & ASSOCIATES Chartered Accountants CA. MAYUR D. AMIN <i>Proprietor</i> M No. 111697 Firm Reg.No.122470W UDIN:21111697AAAA JN8324	For & on behalf of the Board VINAYKUMAR PARIKH <i>Chairman & Managing Director</i> HRISHIT V PARIKH <i>Executive Director</i> NANDKISHOR PARDESHI <i>Director</i> HASMUKHLAL SHAH <i>Director</i>		
Place : Vadodara, dated 29th May 2021			

SHREE SPONGE STEEL AND CASTING LIMITED

SHREE SPONGE STEEL AND CASTING LIMITED

(Formerly : Shree Sponge Steel & Forging Ltd)

PROFIT & LOSS STATEMENT FOR THE PERIOD ENDED 31.03.2021

	PARTICULARS	NOTE NO.	YEAR 31/03/2021	YEAR 31/03/2020
	REVENUE FROM OPERATIONS			
I	Revenue from Operations	PL-1	3,00,97,434	11,04,79,431
II	Other Income	PL-2	96,128	2,03,134
III	TOTAL REVENUE(I+II)		3,01,93,562	11,06,82,565
IV	EXPENSES:			
a	Cost of Material Consumed	PL-3	71,55,021	3,34,40,084
b	Trading Purchase		-	70,37,445
c	Changes in Inventories of Finished & Work-in-Progress	PL-4	39,62,686	2,35,25,139
d	Employee Benefits Expenses	PL-5	95,93,059	2,17,09,003
e	Finance Costs	PL-6	28,96,083	72,23,187
f	Depreciation and Amortization Expenses	I & J	49,95,531	63,40,089
g	Other Expenses	PL-7		
	i) Other Manufacturing Expenses		20,69,472	3,64,02,046
	ii) General Administrative & Selling Expenses		38,50,561	61,02,425
	TOTAL EXPENSES		3,45,22,413	14,17,79,418
V	PROFIT BEFORE EXCEPTIONAL AND EXTRAORDINARY ITEMS AND TAX (III-IV)		(43,28,851)	(3,10,96,853)
VI	Exceptional Items		-	-
VII	PROFIT BEFORE EXTRAORDINARY ITEMS AND TAX (V-VI)		(43,28,851)	(3,10,96,853)
VIII	Extraordinary Items		-	-
IX	PROFIT BEFORE TAX (VII-VIII)		(43,28,851)	(3,10,96,853)
X	TAX EXPENSE			
a	Current Tax		-	-
b	Deferred Tax		(49,27,684)	(12,71,707)
XI	PROFIT(LOSS) FOR THE PERIOD FROM CONTINUING OPERATIONS (VII-VIII)		5,98,833	(2,98,25,146)
XII	Profit(Loss) From Discontinuing Operations		-	-
XIII	Tax Expense of Discontinuing Operations		-	-
XIV	Profit(Loss) from Discontinuing Operations (After Tax) (XII-XIII)		-	-
XV	PROFIT (LOSS) FOR THE PERIOD (XI+XIV)		5,98,833	(2,98,25,146)
XVI	Earning Per Equity Share			
a	Basic		0.14	(7.04)
b	Diluted		0.14	(7.04)

Notes forming part of Accounts

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As per our annexed report of even date
For MAYUR AMIN & ASSOCIATES

Chartered Accountants

CA. MAYUR D. AMIN
Proprietor
M No. 111697
Firm Reg.No.122470W
UDIN:2111697AAAA JN8324

For & on behalf of the Board
VINAYKUMAR PARIKH
Chairman & Managing Director
HRISHIT V PARIKH
Executive Director
NANDKISHOR PARDESHI
Director
HASMUKHLAL SHAH
Director

Place : Vadodara, dated 29th May 2021

SHREE SPONGE STEEL AND CASTING LIMITED

SHREE SPONGE STEEL AND CASTING LIMITED

(Formerly : Shree Sponge Steel & Forging Ltd)

CASH FLOW STATEMENT FOR THE YEAR ENDED 31/03/2021

	Year Ended 31/03/2021	Year Ended 31/03/2020
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit/(Loss) before tax & extraordinary items	(43,28,851)	(3,10,96,853)
<u>Adjustments for :</u>		
Depreciation	49,95,531	63,40,089
(Profit)/Loss on disposal of assets	(15,51,094)	11,27,727
Operating Profit/(Loss) before Working Capital Changes	(8,84,414)	(2,36,29,037)
<u>Adjustments for :</u>		
(Increase)/Decrease in Inventories	73,00,908	3,07,66,656
(Increase)/Decrease in Trade & Other Receivables	57,63,507	3,85,92,019
Increase/(Decrease) in Trade & Other Payables	(3,80,480)	(1,83,00,731)
Cash flow before Extraordinary items	1,17,99,521	2,74,28,907
Extraordinary items - Expense/(Income)	-	-
Cash from Operating activities	1,17,99,521	2,74,28,907
Taxes paid	(6,84,026)	(12,15,853)
Net Cash from Operating activities	1,11,15,495	2,62,13,054
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets	(4,98,864)	(9,57,166)
Sale of Fixed Assets	2,24,34,846	19,39,865
Net Cash flow/use in Investing activities	2,19,35,982	9,82,699
C. CASH FLOW FROM FINANCING ACTIVITIES		
Unsecured Loans	(10,74,981)	(2,45,03,395)
Term Loans Repayment	-	(28,62,055)
Bank Borrowings in Cash Credit	(3,15,18,577)	(17,38,712)
Net Cash flow/use in Financing activities	(3,25,93,558)	(2,91,04,162)
D. Net Increase in Cash & Cash Equivalents (A+B+C)	4,57,919	(19,08,409)
E. Opening Cash & Cash Equivalents	3,423	19,11,832
F. Closing Cash & Cash Equivalents (D+E)	4,61,342	3,423

Note : Negative Figures have been shown in brackets.

As per our annexed report of even date
For MAYUR AMIN & ASSOCIATES
Chartered Accountants

CA. MAYUR D. AMIN

Proprietor

M No. 111697

Firm Reg.No.122470W

UDIN:21111697AAAA JN8324

For & on behalf of the Board

VINAYKUMAR PARIKH

Chairman & Managing Director

HRISHIT V PARIKH

Executive Director

NANDKISHOR PARDESHI

Director

HASMUKHLAL SHAH

Director

Place : Vadodara, dated 29th May 2021

SHREE SPONGE STEEL AND CASTING LIMITED

SHREE SPONGE STEEL AND CASTINGS LIMITED
(Formerly : Shree Sponge Steel & Forging Ltd)
NOTES FORMING PART OF BALANCE SHEET

	As at 31/03/2021	As at 31/03/2020
NOTE - A SHARE CAPITAL		
AUTHORISED SHARE CAPITAL 2,00,00,000 Equity Shares of Rs.10/- each	20,00,00,000	20,00,00,000
ISSUED, SUBSCRIBED AND PAID UP CAPITAL 42,38,000 Equity Shares of Rs.10/- each fully paid	4,23,80,000	4,23,80,000
TOTAL	4,23,80,000	4,23,80,000
NOTE - B RESERVES & SURPLUS		
Capital Reserve	2,63,500	2,63,500
State Subsidy	15,00,000	15,00,000
Share Premium		
As at Beginning of the Accounting Year	42,60,000	42,60,000
Additions-	-	-
As at end of the year	42,60,000	42,60,000
Profit & Loss Account		
As at Beginning of the Accounting Year	(3,72,55,160)	(74,30,014)
Profit / (Loss) As per Profit & Loss Account	5,98,833	(2,98,25,146)
As at end of the year	(3,66,56,327)	(3,72,55,160)
TOTAL	(3,06,32,827)	(3,12,31,660)
NOTE - C LONG TERM BORROWINGS		
SECURED BORROWINGS		
Car Loan (Secured by hypothecation of Motor Cars)	-	-
TOTAL	-	-
	As at 31/03/2021	As at 31/03/2020
NOTE - D LONG TERM PROVISIONS		
Provision for Employee Benefits	34,62,913	30,50,810
TOTAL	34,62,913	30,50,810
NOTE - E SHORT TERM BORROWINGS		
FROM BANKS - SECURED		
Overdraft Account from ICICI Bank Ltd. (Secured by mortgage of Land & Building)	-	3,15,18,577
FROM RELATED PARTIES -UNSECURED		
Deposits From Directors	1,82,64,255	1,93,39,236
TOTAL	1,82,64,255	5,08,57,813

SHREE SPONGE STEEL AND CASTING LIMITED

	As at 31/03/2021	As at 31/03/2020
NOTE - F TRADE PAYABLES		
To Small Enterprise & Micro Enterprise	-	-
To Other than Small Enterprise & Micro Enterprise		
a) For Raw Materials (Others)	-	-
b) For Capital Goods	-	-
b) For Others	1,52,413	6,36,707
TOTAL	1,52,413	6,36,707
NOTE - G OTHER CURRENT LIABILITIES		
Current Maturities of Long Term Debt		
Term Loan	-	-
Car Loan	-	-
Advance received from Customers	4,04,464	9,91,361
TOTAL	4,04,464	9,91,361
NOTE - H SHORT TERM PROVISIONS		
Provisions for Employee Benefits	32,65,676	32,05,060
Provision for Duties & Taxes	8,25,986	5,39,478
Provision for Expenses	1,01,750	1,70,266
TOTAL	41,93,412	39,14,804
NOTE - K NON CURRENT INVESTMENT		
Investments in Equity Instruments (Quoted)		
5895 Equity Shares of Bank of Baroda	1,32,673	1,32,673
<small>(Market Value On 31.03.2020 Rs.3.16 Lacs and On 31.03.2021 Rs.4.37 Lacs)</small>		
TOTAL	1,32,673	1,32,673
NOTE - L LONG TERM LOANS & ADVANCES		
Unsecured, Considered Good		
Deposit with Madhya Gujarat Vij Company Ltd	8,01,234	34,64,236
Deposit with Other Suppliers	38,900	57,545
TOTAL	8,40,134	35,21,781
NOTE - M INVENTORIES		
Raw Materials	20,42,923	30,86,207
Stores & Spares & Others	2,36,027	10,05,735
Finished Goods	35,81,550	6,43,770
Work in Process	33,78,862	1,02,79,328
TOTAL	92,39,362	1,50,15,040

SHREE SPONGE STEEL AND CASTING LIMITED

SHREE SPONGE STEEL AND CASTING LIMITED

(Formerly : Shree Sponge Steel & Forging Ltd)

NOTE - I TANGIBLE ASSETS

SR. NO.	DESCRIPTION OF ASSETS	GROSS BLOCK			DEPRECIATION BLOCK			NET BLOCK		
		01/04/2020	ADD	DED	31/03/2021	01/04/2020	ADD	DED	31/03/2021	31/03/2020
1	Land (Leasehold)	34,82,360	-	7,80,365	27,01,995	-	-	-	27,01,995	34,82,360
2	Factory Building	3,90,78,400	3,90,221	1,10,10,915	2,84,57,706	1,80,04,427	46,60,147	1,44,85,060	1,39,72,646	2,17,51,765
3	Office Equipments	1,78,029	-	10,000	1,68,029	1,19,235	7,637	1,27,426	40,603	14,130
4	Computers	14,22,021	1,08,643	-	15,30,664	12,27,629	-	13,62,844	1,67,820	2,43,589
5	Air Conditioners	1,70,678	-	1,20,287	50,391	1,00,913	1,06,043	19,934	30,457	68,628
6	Vehicles	68,93,887	-	7,44,096	61,49,791	31,30,709	6,99,121	29,92,375	31,57,416	43,49,008
7	Furniture & Fixtures	14,26,159	-	-	14,26,159	13,20,962	59,134	13,80,096	46,063	1,71,135
8	Plant & Machinery	6,14,17,623	-	4,39,36,490	1,74,81,133	3,80,82,512	2,89,77,767	1,18,77,959	56,03,174	2,81,97,185
9	Electrical Installations	45,56,718	-	-	45,56,718	40,19,904	1,30,786	41,50,670	4,06,048	670,805
10	Laboratory Equipments	15,05,928	-	10,76,912	4,29,016	10,00,180	63,016	8,19,370	1,85,190	26,04,934
11	Equipments - Others	65,335	-	-	65,335	63,362	1,973	65,335	-	1,973
	Grand Total	12,01,97,138	4,98,864	5,76,79,065	6,30,16,937	6,78,45,031	49,05,777	3,67,05,525	2,63,11,412	6,15,55,512
	Previous Year	12,50,16,262	11,08,788	51,11,913	12,10,13,137	6,34,60,751	62,76,979	6,78,45,031	5,31,68,106	6,15,55,512

NOTE - J INTANGIBLE ASSETS

SR. NO.	DESCRIPTION OF ASSETS	GROSS BLOCK			DEPRECIATION BLOCK			NET BLOCK		
		01/04/2020	ADD	DED	31/03/2021	01/04/2020	ADD	DED	31/03/2021	31/03/2020
1	Technical Knowhow	13,45,427	-	-	13,45,427	12,95,132	50,295	-	13,45,427	9,495
2	Computer Software	2,65,000	-	-	2,65,000	2,25,541	39,459	-	2,65,000	1,02,569
	Grand Total	16,10,427	-	-	16,10,427	7,45,473	89,754	-	16,10,427	1,12,064
	Previous Year	7,94,427	-	-	7,94,427	6,82,363	63,110	-	7,45,473	48,954

SHREE SPONGE STEEL AND CASTING LIMITED

	As at 31/03/2021	As at 31/03/2020
NOTE - N TRADE RECEIVABLE		
Unsecured, Considered Good		
Over Six Months	4,38,444	9,28,187
Below Six Months	-	9,74,952
TOTAL	4,38,444	19,03,139
NOTE - O CASH & CASH EQUIVALENT		
Cash on Hand	17,233	3,423
Balance with Schedule Bank In Current Account ICICI Bank Ltd.	4,44,109	-
TOTAL	4,61,342	3,423
NOTE - P SHORT TERM LOANS & ADVANCES		
Unsecured, Considered Good		
Advances recoverable in cash or kind or for value to be received	3,16,543	6,52,972
TOTAL	3,16,543	6,52,972
NOTE - Q OTHER CURRENT ASSET		
Deposit & Receivables from Tax Authorities	5,216	70,100
TDS Receivable	6,84,026	12,15,853
TOTAL	6,89,242	12,85,953

SHREE SPONGE STEEL AND CASTING LIMITED

NOTES FORMING PART OF PROFIT & LOSS ACCOUNT

	Period Ended 31/03/2021	Period Ended 31/03/2020
NOTE - PL-1 REVENUE FROM OPERATIONS		
Sale of Products	1,52,65,078	10,35,28,102
Sale of Services	98,61,266	70,000
Trading Sales	49,71,090	68,81,329
	3,00,97,434	11,04,79,431
Less: Excise Duty	-	-
Net Revenue from Operations	3,00,97,434	11,04,79,431
NOTE - PL-2 OTHER INCOME		
Interest Received	96,128	2,03,134
TOTAL	96,128	2,03,134
NOTE - PL-3 COST OF MATERIAL CONSUMED		
Opening Stock	30,86,207	77,59,719
Raw Material Purchased	61,11,737	2,87,66,572
	91,97,944	3,65,26,291
Less : Closing Stock	20,42,923	30,86,207
TOTAL	71,55,021	3,34,40,084
NOTE - PL-4 CHANGE IN INVENTORY OF FINISHED GOODS & WORK IN PROCESS		
Closing Stock - Finished Goods	35,81,550	6,43,770
Closing Stock - Work in Process	33,78,862	1,02,79,328
Less: Opening Stock - Finished Goods	6,43,770	11,52,720
Opening Stock - Work in Process	1,02,79,328	3,32,95,517
TOTAL	39,62,686	2,35,25,139
NOTE - PL-5 EMPLOYEE BENEFIT EXPENSES		
Directors' Remuneration & Perquisites	66,53,546	76,79,309
Salaries & Wages	19,61,635	1,01,94,743
Contribution to P.F. & Labour Welfare Fund	9,68,419	14,48,730
Allowance & Other Expenses	9,459	23,86,221
TOTAL	95,93,059	2,17,09,003

SHREE SPONGE STEEL AND CASTING LIMITED

	Period Ended 31/03/2021	Period Ended 31/03/2020
NOTE - PL-6 FINANCE COST		
Interest on Borrowings	27,33,131	64,39,059
Bank Charges	1,62,952	7,84,128
TOTAL	28,96,083	72,23,187
NOTE - PL-7 OTHER EXPENSES		
<u>i) OTHER MANUFACTURING EXPENSES</u>		
Stores & Spares Consumed	8,22,340	1,78,72,064
Laboratory Expenses	-	8,550
Power & Fuel	7,26,758	1,46,79,503
Water Charges	8,059	37,683
Repairs & Maintenance	41,223	23,91,032
Factory Expenses	70,841	1,84,026
Testing Charges & Fees	20,376	1,41,682
Labour Charges	77,950	8,33,923
Pattern Expenses	18,000	1,32,675
Value Added Tax/Central Sales Tax	2,83,925	1,20,908
TOTAL	20,69,472	3,64,02,046
<u>ii) GENERAL ADMINISTRATIVE & SELLING EXPENSES</u>		
Factory License Fees	29,676	27,294
Forwarding Expenses	-	3,27,500
Insurance Premium	1,13,921	2,56,559
Rent, Rates & Taxes	21,60,221	3,32,342
Company Professional Tax	2,400	2,400
Office & General Expenses	12,800	68,081
Directors' Sitting Fees	50,000	60,000
Printing & Stationery	1,47,223	2,03,120
Telephone, Postage & Telegram	2,33,878	2,77,573
Professional Charges	1,04,585	6,70,671
Loss on Sale of assets	18,88,752	11,27,727
Loss on discard of assets	1,07,24,990	-
Profit on Sale of Land	(1,41,64,836)	
Discount/Balance written off	6,92,808	(97,500)
Repairs & Maintenance (Others)	3,19,545	8,47,483
Miscellaneous Gen. Admin. & Selling Expenses	6,71,107	7,61,806
Donation	-	-
Conveyance Expenses	7,650	-
Auditor's Remuneration	75,000	75,000
Membership, Subscription & Seminar Fees	50,993	37,408
Advertisement Expenses	-	6,500
Security Expenses	7,29,848	10,75,663
Tours & Travelling Expenses	-	42,798
TOTAL	38,50,561	61,02,425

SHREE SPONGE STEEL AND CASTING LIMITED

(Formerly : Shree Sponge Steel & Forging Ltd)

NOTE - R NOTES FORMING PART OF ACCOUNTS

Part - 1 Significant Accounting Policies

1. BASIS OF ACCOUNTING

The financial statements have been prepared under the historical cost convention & on accrual basis accounting & in accordance with applicable Accounting Standards & the requirements of the Companies Act,2013.

2. REVENUE RECOGNITION

- (i) Sales : Sales are recognized on dispatch or shipment to customers & are excluding Cenvat Duty,GST, Trade Discount.
- (ii) Other Income Other income is recognized on accrual basis except when realization of such income is uncertain.

3. FIXED ASSETS

Fixed Assets are stated at historical cost of acquisition. Cost comprises of the purchase price net of Cenvat (ITC) and any attributable cost of bringing the asset to working condition for their intended use.

4. DEPRECIATION

Depreciation has been provided on Straight Line Method at the rates & lives, in the manner as prescribed in Schedule II of the Companies Act,2013. Depreciation on additions to the fixed assets are provided on pro-rata basis.

5. INVESTMENTS

Long term investments are carried at cost of acquisition. Provision is made to recognise decline, other than temporary , in carrying amount of long term investments.

6. INVENTORIES

- (i) Raw Material, Store & Spares, At cost on FIFO basis excluding duties / tax rebates
Consumable
- (ii) Work-in-process At cost or net realizable value whichever is less.
(Cost represents material plus manufacturing cost excluding duties / tax rebates)
- (iii) Finished Goods At cost or net realizable value whichever is less including
excise duty provided on opening Stock of finished goods.

(Cost represents material, labour & manufacturing expenses including depreciation & excluding duties / tax rebates.)

7. GRATUITY & LEAVE ENCASHMENT BENEFITS

Provision for gratuity for Directors and Employees has been made on the basis of actuarial valuation Net of the Fund Value of LIC of India's Group Gratuity cum Life Assurance (Cash Accumulation) Scheme entered by the Company for employees. Provision for leave encashment has been made in the accounts on the basis of actuarial valuation.

8. FINANCING / BORROWING COST

Financing / Borrowing Costs attributable to acquisition and/or construction of qualifying assets are capitalised as a part of the cost of such assets, upto the date such assets are ready for their intended use. Other financing / borrowing costs are charged to Profit & Loss Account.

9. 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 adjusted to reflect the current best estimate.

10. CONTINGENT LIABILITIES

These are disclosed by way of notes on the Balance Sheet. Provision is made in the accounts in respect of those liabilities which are likely to materialize after the year end, till the finalisation of accounts & have material effect on the position stated in the Balance Sheet.

11. EARNING PER SHARE

Basic earning per share is 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. The weighted average number of equity shares outstanding during the year are adjusted for events of bonus issue to existing shareholders and share split.

For the purpose of calculating diluted earnings per share, the net profit or loss for the year 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 from the exercise of options on unissued shares capital. The number of equity shares is the aggregate of the weighted average number of equity shares and the weighted average number of equity shares, which would be issued on the conversion of all the dilutive potential equity shares into equity shares. Options on unissued equity share capital are deemed to have been converted into equity shares.

12. DEFERRED TAXATION

Deferred tax is recognised, subject to the consideration of prudence, on timing differences, being difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred Tax Assets are recognized only if there is virtual certainty of realisation.

13. IMPAIRMENT OF ASSET

An asset is treated as impaired when the carrying cost of asset exceeds its recoverable value. An impairment loss is charged to the Profit & Loss Account in the year in which an asset is identified as impaired. The impairment loss recognized in prior accounting period is reversed if there has been a change in estimate of recoverable amount.

SHREE SPONGE STEEL AND CASTING LIMITED

Part - 2 Notes On Accounts

1. Corresponding figures of previous year have been regrouped / rearranged to confirm with current year's grouping whenever necessary & rounded off to the nearest rupee.

2. Issued Share Capital

Share Holder Holding more than 5% Shares:

i) Vinaykumar Parikh 1828315 Number of Shares i.e. 43.14%

3. Break up for the deferred tax asset / liability appearing in Balance Sheet as at 31.03.2021

	Current Year	Previous Year
<u>DEFERRED TAX LIABILITY</u>		
Depreciation	22,71,180	69,76,223
<u>DEFERRED TAX ASSET</u>		
Bonus & Retirement Benefits	20,66,658	18,44,017
NET DEFERRED TAX LIABILITY/(ASSET)	2,04,522	51,32,206

4 Outstanding due to Small & Micro Enterprise

The information given in Note G "Trade Payables" regarding Micro and Small Enterprises has been determined to the extent such parties have been identified on the basis of information available with the Company.

5 Segment Reporting

In view of Castings & Fabrication business of the Company are being related to same industry and having same customer base with same level of risk attached to it and business being at single location, the Company is operating in single segment and hence does not have any information relating to segment wise /product wise performance to furnish.

6 Note on Covid-19

The consequences of the COVID-19 outbreak have materially and adversely affected the supply and demand for the Company's primary products and therefore, its operating results have been negatively impacted. Measures taken to contain the spread of the virus, including travel bans, quarantines, social distancing, and closures of non-essential services have triggered significant disruptions to businesses.

The Company had operating losses, negative cash flows from operations and working capital deficiencies for the the year. The Company has determined that these events are non-adjusting subsequent events. Accordingly, the financial position and results of operations as of and for the year ended 31 March 2021 have not been adjusted to reflect the impact. The duration and impact of the COVID-19 pandemic, as well as the effectiveness of government responses, remains unclear at this time. It is not possible to reliably estimate the duration and severity of these consequences, as well as their impact on the financial position and results of the Company for future periods. This disclosure assumes there is no significant doubt about the entity's ability to continue as a going concern.

7 Retirement Benefits

Effective from 1st April 2007, the company adopted Accounting Standard ("AS") 15 (Revised 2005 - "employee benefits") issued by the Institute of Chartered Accountants of India.

SHREE SPONGE STEEL AND CASTING LIMITED

Gratuity Plan / Leave Encasement

The following table sets out the status of the gratuity plan and leave encashment as required under AS 15 (Revised 2005) and the reconciliation of opening and closing balances of the present value of the defined obligation:

Particulars	Current Year	Previous Year
	GRATUITY FUND	
Change in present value of obligations		
Obligation at beginning of the year	2465353	2480909
Service cost	117637	115492
Interest Cost	74379	93843
Actuarial (gain) / loss	(3710)	(18323)
Benefits paid	0	(206568)
Obligation at the end of the period	2653659	2465353
Change in Plan Assets		
Fair value of Plan assets at beginning of the period	0	239503
Actual return on plan assets	49979	(49979)
Actuarial gain / (loss)	3408	14566
Contributions	0	2478
Benefits paid	0	(206568)
Fair value of plan assets at end of the period	53387	0
Reconciliation of present value of the obligation and the fair value of plan assets		
Present value of the defined obligation at the end of the period	2653659	2465353
Fair value of plan assets at the end of the period	53387	0
Fund status amount of liability recognised in the Balance Sheet	2600272	2465353
Gratuity Cost for the Period:		
Service Cost	117637	115492
Interest Cost	74379	93843
Actual Return on Plan Asset	49979	(49979)
Actuarial (Gain) / Loss	(7118)	(32889)
Net Cost	134919	226425
Assumptions		
Interest Rate	5.30%	5.20%
Estimated Rate of Return on Plan Asset	5.30%	5.20%
Rate of Growth in Salary Levels	5%	5%
Particulars	LEAVE ENCASHMENT UNFUNDED	
Change in present value of obligations		
Obligation at beginning of the period	3342140	2817672
Service cost	225510	241092
Interest Cost	105176	111205
Actuarial (gain) / loss	254916	275314
Benefits paid	0	(103143)
Obligation at the end of the period	3927742	3342140
Leave Encashment Cost for the Period:		
Service Cost	225510	241092
Interest Cost	105176	111205
Actuarial (Gain) / Loss	254916	275314
Net Cost	585602	627611
Assumptions		
Interest Rate	5.30%	5.20%
Rate of Growth in Salary Levels	5.00%	5.00%

SHREE SPONGE STEEL AND CASTING LIMITED

8 Balances of Debtors & Creditors are subject to confirmation & reconciliation, if any.

	Current Year (Rs.)	Previous Year (Rs.)
9 Contingent Liability not provided	NIL	NIL
10 Managerial Remuneration		
(i) Chairman & Managing Director		
(a) Salary	3500000	3850000
(b) Contribution to Provident Fund	420000	462000
(c) Monetary Value of Perquisites	151802	211920
(ii) Executive Director		
(a) Salary	3000000	3600000
(b) Contribution to Provident Fund	360000	432000
(c) Monetary Value of Perquisites	1744	17389
(d) Leave Encashment Paid	Nil	Nil
(e) Gratuity Paid	Nil	Nil
11 Remuneration to Auditors include		
(a) Audit Fees	60000	60000
(b) Tax Audit Fees	15000	15000
(c) Others	0	0

12 In opinion of the Boards of Directors, the current assets, loans & advances are approximately of the value stated, if realised in the ordinary course of business.

13 List of & transactions with, related parties vide AS-18 on Related Party disclosures. (details of respective amount is as per 10 above)

PARTICULARS	RELATIONSHIP	TRANSACTION
Mr.Vinaykumar Parikh	Chairman & Managing Director	Directors Remuneration (Amount as per 10(i) above) Interest on Unsecured Loans Rs.9.55 Lacs Repayment of Unsecured Loan Rs. 196.01 Lacs
Mr.Hrishit Vinay Parikh	Executive Director	Directors Remuneration (Amount as per 10(ii) above) Interest on Unsecured Loans Rs. 4.52 Lacs Repayment of Unsecured Loan Rs. 2.06 Lacs

SHREE SPONGE STEEL AND CASTING LIMITED

	Current Year	Last Year
	Value (Rs.)	Value (Rs.)
14 (a) Materials Consumed		
Raw Material	71,55,021	3,34,40,084
Stores & Spares & Others	8,22,340	1,78,72,064
Consumption		
Imported	NIL	NIL
Indigenous	79,77,361	5,13,12,148
(b) Work in Progress		
Work in Process - Castings	29,63,367	94,81,438
Work in Process - Fab. Machine Parts	46,750	46,750
Work in Process - Crushers	3,68,745	7,51,140
(f) Sales Turnover		
Castings	1,37,85,078	10,24,07,360
Trading	49,71,090	68,81,329
Crushers	0	11,19,492
Machine Part Fabrication	14,80,000	1,250
Commission / Job Work	98,61,266	70,000
(g) Expenditure in foreign currency	NIL	NIL
(h) Earning in foreign currency	NIL	NIL

Signature To Notes Forming Part of Balance Sheet and Profit & Loss Statement

As per our annexed report of even date For & on behalf of the Board

For MAYUR AMIN & ASSOCIATES

Chartered Accountants

VINAYKUMAR PARIKH

Chairman & Managing Director

HRISHIT V PARIKH

Executive Director

CA. MAYUR D. AMIN

NANDKISHOR PARDESHI

Proprietor

Director

M No.111697

HASMUKHLAL SHAH

Director

Firm Reg.No. 122470W

UDIN:21111697AAAA JN8324

Place : Vadodara, dated 29th May 2021

SHREE SPONGE STEEL AND CASTING LIMITED

ATTENDANCE SLIP

30th Annual General Meeting – Monday, 30th August 2021

Full name of the members attending (In block capitals)	
Ledger Folio No. /DP ID No	
Client ID No.	
Name of Proxy holder (To be filled in, if the proxy attends instead of the member)	

I certify that I am a member /proxy for the members of the Company.

I hereby record my presence at the **30th Annual General Meeting of the Company held on Monday, 30th August, 2021**, at 6/1/1, GIDC, Por-Ramangamdi National Highway No 8 Vadodara Gujarat -391243 India and through VC (Video Conferencing) or OAVM (Other Audio Video means) at 11.00 a.m.

Signature

Note: Please fill up this attendance slip and handed it over at the entrance of the meeting venue. Members are requested to bring their copies of the Annual Report to the AGM.

SHREE SPONGE STEEL AND CASTING LIMITED**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]

30th Annual General Meeting of Shree Sponge Steel and Casting Limited:**Monday, 30th August, 2021**

CIN	U27100GJ1991PLC016203
Name of the company	Shree Sponge Steel And Casting Limited
Registered office	6/1/1, GIDC, Por-Ramangamdi National Highway No 8 Vadodara Gujarat 391243 India

Name of the member (s)					
Registered address					
E-mail Id		Folio No/ Client Id		DP ID	

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

Name		E-mail Id	
Address			
Signature			

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the **30th Annual General Meeting of the company, to be held on Monday, 30th August, 2021 at 11.00 A.M.** at the Registered Office of the Company and through VC (Video Conferencing) or OAVM(Other Audio Video means)and at any adjournment thereof in respect of such resolutions as indicated below:

Resolution No.	Resolutions
Ordinary Business	
1	Adoption of Accounts
2	Re-Appointment of Director
Special Business	
3	To Re-appoint Mr. Vinaykumar Purushottamdas Parikh as a Managing Director of the Company
4	To Appoint Mr. Hrishit Vinay Parikh as a Whole Time Director of the Company

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

Signature of shareholder

Signature of Proxy holder

Affix
Revenue
stamp

Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.

SHREE SPONGE STEEL AND CASTING LIMITED

Venue of AGM: Route Map:

**Pursuant to SS-2:Secretarial Standard on General Meeting
Land Mark: POR, National Highway No 8.**

Longitude: 73.1860807

Latitude:22.1297358,

