



31st ANNUAL REPORT

Financial Year 2021-22

SHREE SPONGE STEEL AND CASTING LIMITED

(Formerly - Shree Sponge Steel and Forging Limited)

CIN: U27100GJ1991PLC016203

Registered Office and Factory :

6/1/1, GIDC Estate, Por, N.H. No. 8 – 391 243, Dist. Vadodara

Ph. 0265 – 2830132, 2830636

E-mail:accounts_sssfl@yahoo.in

www.shreesponge.com

SHREE SPONGE STEEL AND CASTING LIMITED

(Formerly - Shree Sponge Steel and Forging Limited)

31st ANNUAL REPORT 2021-22

❖ **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
Hasmukhlal V. Shah	Director
Devesh A. Pathak	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

❖ **Contents of Annual Report**

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(Formerly - Shree Sponge Steel And Forging Limited)

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

E-Mail : accounts_sssfl@yahoo.in | CIN : U27100GJ1991PLC016203

NOTICE

NOTICE is hereby given that an **Annual General Meeting** ('AGM') of the Members of Shree Sponge Steel and Casting Limited ('Company') will be held at the Registered Office of the Company at 6/1/1, GIDC, Por-Ramangamdi National Highway No 8 Baroda, Gujarat - 391243 on the **Monday the 12th Day of September, 2022**, at 11:00 a.m. to transact the following business:

ORDINARY BUSINESS

1. To consider and adopt the audited financial statement of the Company for the financial year ended March 31, 2022 and the reports of the Board of Directors and Auditors thereon and in this regard, pass the following Resolution as an **Ordinary Resolution**:

“RESOLVED THAT the audited financial statement of the Company for the financial year ended March 31, 2022 and the reports of the Board of Directors and Auditors thereon laid before this meeting, be and are hereby considered and adopted.”

2. To appoint a Director in place of Shri Hasmukhlal Vithaldas Shah (DIN:02566255), who retires by rotation and being eligible, offers himself for re-appointment and in this regard, pass the following Resolution as an **Ordinary Resolution**:

RESOLVED THAT pursuant to the provisions of Section 152 of the Companies Act, 2013, Shri Hasmukhlal Vithaldas Shah (DIN:02566255), who retires by rotation at this meeting and being eligible has offered himself for re-appointment, be and is hereby re-appointed as a Director of the Company, liable to retire by rotation.

SPECIAL BUSINESS

3. To consider and appoint Shri Devesh Amubhai Pathak (DIN:00017515) as a Director of the company and in this regard, pass the following Resolution as an **Ordinary Resolution**:

RESOLVED THAT pursuant to Section 149, Section 152 and other applicable provisions of the Companies Act, 2013 ('the Act') and the Companies (Appointment and Qualifications of Directors) Rules, 2014 Shri Devesh Amubhai Pathak (DIN:00017515) who was appointed as an Additional Director of the Company with effect from 13th November, 2021 by the Board of Directors pursuant to section 161(1) of the act to hold office upto the date of this Annual General Meeting, and pursuant to the recommendation of the Board of directors, and being eligible, offers himself for appointment, and in respect of whom the Company has received a notice in writing under Section 160(1) of the Act from a Member signifying his intention to propose candidature of Shri Devesh Amubhai Pathak for the office of the Director, be and is hereby appointed as a Director of the Company and designated as Non executive Independent Director, liable to retire by rotation, with effect from the date of this Meeting.”

4. To consider and approve the Reduction of Share Capital of the Company and in this regard, pass the following Resolution as a **Special Resolution**:

RESOLVED THAT pursuant to the provisions of Section 66 of the Companies Act, 2013 read with the National Company Law Tribunal (Procedure for Reduction of Share Capital) Rules, 2016 (including any statutory modification, amendment or re-enactment thereof for the time being in force) and subject to the confirmation of the National Company Law Tribunal, the consent of the equity shareholders be and is hereby accorded to the proposed reduction of the paid up share capital of the Company from Rs. 4,23,80,000/- (Rupees Four Crores Twenty Three Lacs Eighty

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Thousand) divided into 42,38,000 equity shares of Rs. 10 each to Rs. 2,18,29,150/- (Rupees Two Crores Eighteen Lacs Twenty Nine Thousand One Hundred Fifty) divided into 21,82,915 equity shares of Rs. 10 each fully paid up, by cancelling and extinguishing paid-up equity share capital of Rs. 2,05,50,850/- (Rupees Two Crores Five Lacs Fifty Thousand Eight Hundred Fifty Only) divided into 20,55,085 equity shares of Rs. 10 each fully paid up, being the share capital held by Public (Non Promoter) Shareholders by returning to the said shareholders an amount of Rs. 9.43 for each equity share held by them which is being cancelled.

RESOLVED FURTHER THAT post obtaining all approvals for the proposed reduction of the share capital of the Company, the share certificates in relation to the 20,55,085 equity shares being cancelled and extinguished and held in physical form shall be deemed to have been surrendered and cancelled without requiring the surrender of the existing share certificates and that necessary action be taken for debiting the demat account of public shareholders holding shares in demat form.

RESOLVED FURTHER THAT upon extinguishment of share capital, the paid up share capital of the Company be stand reduced to the extent of the face value of the shares so extinguished.

RESOLVED FURTHER THAT the Company shall debit the equity share capital account to the extent of the face value of the shares cancelled under the capital reduction application and the difference between the face value per share and the amount of consideration per share shall be debited to the 'Retained Earnings' under the head 'Reserves and Surplus' and that this accounting treatment is in conformity with the Accounting Standards applicable to the Company.

RESOLVED FURTHER THAT Shri Vinaykumar Purushottamdas Parikh, Managing Director and Hrishit Vinay Parikh, Whole-time director of the Company be and are hereby severally authorized to do all such acts, matters, deeds and things as may be necessary or desirable including any directions for settling any question or doubt or difficulty whatsoever that may arise, for the purpose of giving effect to the proposed reduction of the share capital of the Company as placed before the Board or to any modification thereof in particular:

- a) file application with the Hon'ble National Company Law Tribunal, Ahmedabad bench for directions and confirmation of the proposed reduction of equity share capital, signing, affirming and verifying affidavit, applications, petitions, vakalatnama etc. in the Hon'ble National Company Law Tribunal, Ahmedabad bench;
- b) make representation on their own or through legal counsels before Hon'ble National Company Law Tribunal, Ahmedabad bench or other authorities for confirmation of the proposed reduction of equity share capital; and
- c) to accept such other conditions and modifications as may be prescribed by the Hon'ble National Company Law Tribunal, Ahmedabad Bench and other appropriate bodies/authorities while according their confirmation to the proposed Reduction and cancellation of share capital.

RESOLVED FURTHER THAT consequent amendments be made in capital clause of memorandum of association and articles of association (if any) of the Company after the said reduction becomes operative and effective.

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

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

Date: 21st July, 2022

Place: Por, Dist: Vadodara

SHREE SPONGE STEEL AND CASTING LIMITED**Explanatory Statement**

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

FOR ITEM NO.: 3 TO APPOINT SHRI DEVESH AMUBHAI PATHAK (DIN: 00017515) AS DIRECTOR OF THE COMPANY

Your Directors appointed Shri Devesh Amubhai Pathak (DIN: 00017515) as an Additional Director to hold office upto next Annual General Meeting pursuant to Section 161(1) of the Companies Act, 2013 ('the Act').

The Company has received a notice pursuant to Section 160 of the Act from the member of the Company proposing of Shri Devesh Amubhai Pathak as director of the Company liable to retire by rotation. The notice is available for inspection by the members of the Company at the registered office of the Company on any working day up to the date of the Annual General Meeting.

The Board of directors recommends the Ordinary Resolution as set out in Item No. 3 of the accompanying notice for approval by the members.

None of the Directors or Key Managerial Personnel and their relatives except Shri Devesh Pathak, is in any way concerned or interested financially or otherwise in the Resolution.

Name of Director	Shri Devesh Amubhai Pathak
Date of Birth	03-02-1957
Age	64 years
Qualifications	B.Com. , L.L.B., FCS & Insolvency Professional
Experience	38 years
Terms and conditions of appointment or reappointment along with details of remuneration sought to be paid	Appointment as Retiring Director
Remuneration last drawn by such person	Nil
Date of first appointment on the Board	13-11-2021
Shareholding in the Company	
Relationship with other Directors, Manager and other Key Managerial Personnel	Not related
The number of Meeting of the Board attended during the year	1 (One)
Directorship in other companies	I. Banco Products India Limited II. Maharashtra Safe Chemists & Distributors Alliance Limited III. R+B Filter Manufacturing Enterprises Pvt. Ltd. IV. Devesh Pathak Professional Solutions Pvt. Ltd.
Membership/ Chairmanship of Committees of other Companies	I. Banco Products India Limited Member Audit Committee Nomination & Remuneration Committee II. Maharashtra Safe Chemists & Distributors Alliance Ltd. Chairman Audit Committee Nomination & Remuneration Committee

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FOR ITEM NO.: 4 TO APPROVE THE REDUCTION OF SHARE CAPITAL OF THE COMPANY

The paid-up share capital of the company is Rs. 4,23,80,000/- divided into 42,38,000 equity shares of Rs. 10 each fully paid-up. The break up of share capital is as under:-

category	Total		Demate		Physical	
	No. of shareholders	No. of Shares held	No. of shareholders	No. of Shares held	No. of shareholders	No. of Shares held
Promoter	3	2182915	3	2182915	0	-
Public	17166	2055085	2100	298885	15066	1756200
Total	17169	4238000	2103	2481800	15066	1756200

The company has registered itself for demat of its shares. Under the companies act, 2013 as amended the shares of the company cannot be transferred except in the demat form. It is seen that the majority (more than 85%) of public shareholders have not demated their shares and have rendered there shares non transferable unless demated.

Total 17166 Public Shareholders holds 2055085 shares. The average holding per shareholder is below 120 shares and it appears that the procedure for demat is not viable for individual public shareholders. The company has already delisted its shares from BSE following the requirements of the Companies Act and SEBI Regulations. The shares are therefore not traded from stock exchange. The company is running in losses and the accumulated loss as on last audited balance sheet as on 31/03/2022 is Rs. 2,80,26,284/- against paid up capital of Rs. 4,23,80,000/-. The board of directors have therefore in the interest of public shareholders decided to repay the share capital of public shareholders by way by reduction of share capital. It is also in interest of shareholders to get monies for shares held in unlisted company which is otherwise not traded on stock exchange neither transferrable in physical form.

The directors have obtained valuation report from Registered Valuer to determine the price payable to the Public Shareholders.

The Company has also to incur heavy expenditure on servicing 17166 shareholders who on average individually holds negligible shares in the company and it is in the interest of the company to reduce the capital and repayment to Public shareholders.

The Resolution in respect of Reduction of capital shall be subject to confirmation by Hon'ble National Company Law Tribunal.

The capital reduction shall not adversely affect the Company's ability to honour its commitments or meet its liabilities or to settle the dues of all the creditors in the ordinary course of business. The company does not have any financial creditor except directors. Therefore, the present reduction of share capital shall not prejudice any stakeholders of the Company. The directors / promoters have undertaken to bring in the funds in the company by way of unsecured loan to repay the public shareholders under the present scheme of Reduction of Share Capital.

As on date, there is no pending inspection, inquiry or investigation against the Company under the Companies Act, 2013.

The reduction of share capital is contemplated as under the Articles of Association of the Company. Pursuant to approval of the shareholders of the Company, confirmation of the National Company Law Tribunal, Ahmedabad Bench ("NCLT") will have to be sought in terms of Section 66 of the Companies Act, 2013.

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In the event the confirmation order of the NCLT for reduction of the share capital is not obtained, the resolution passed by the shareholders shall be null and void.

None of the Directors or Key Managerial Personnel or their relatives is in any way concerned or interested, financial or otherwise in the resolution except to the extent of their shareholding in the company.

The board of directors recommends the Special Resolution set out in Item No. 4 of the accompanying notice for approval by the members.

Copies of the (i) Memorandum and Articles of Association of the Company as amended from time to time; (ii) Annual reports for the financial year ended March 31, 2022, (iii) Copy of Shareholding Pattern (iv) Copy of Valuation report and other relevant documents are available on website of the company and would also be open for inspection by the members entitled to vote on the proposed resolution for reduction of share capital of the Company at the Registered Office of the Company on any working days except holidays from 10:00 a.m. to 1:00 p.m., prior to the date of the meeting.

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Notes:

1. The relevant statement pursuant to Section 102 of the Act read with relevant rules setting out the material facts and reasons for the proposed resolutions concerning the items of the special business to be transacted at the Annual General Meeting ('AGM') is annexed hereto and forms part of this notice ('Notice').
2. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE AGM IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON HIS/HER BEHALF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE PROXY FORM, ATTENDANCE SLIP AND ROUTE MAP OF AGM ARE ANNEXED TO THIS NOTICE.**

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.

3. 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.
4. The Register of Beneficial Owners, Register of Members and Share Transfer Books of the Company shall remain closed from **Friday, the 9th September, 2022 to Monday, the 12th September, 2022.** (both days inclusive).
5. 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.

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6. The Notice convening the AGM will also be available on the website of the Company at <http://www.shreesponge.com> and the website of CDSL at www.evotingindia.com

7. 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 **Tuesday, the 6th September, 2022**(cut-off date).

8. Process to cast votes through remote e-voting prior to the meeting.

Step 1 : Access through Depositories CDSL/NSDL e-Voting system in case of individual shareholders holding shares in demat mode.

Step 2 : Access through CDSL e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.

(i) The voting period begins on 9th September 2022 at 9.00 AM and ends on 11th September, 2022 at 5.00 PM. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) i.e. on **Tuesday, the 6th September, 2022** (cut-off date), may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

(ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.

Step 1 : Access through Depositories CDSL/NSDL e-Voting system in case of individual shareholders holding shares in demat mode.

Login method for e-Voting for **Individual shareholders holding securities in Demat mode CDSL/NSDL** is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with CDSL Depository	1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or visit www.cdslindia.com and click on Login icon and select New System Myeasi. 2) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the e-voting is in progress as per the information provided by company. On clicking the e-voting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period. Additionally, there is also links provided to access the system of all e-Voting Service Providers so that the user can visit the e-Voting service providers' website directly. 3) If the user is not registered for Easi/Easiest, option to register is available at

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	<p>4) https://web.cdslindia.com/myeasi/Registration/EasiRegistration</p> <p>Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page or click on https://evoting.cdslindia.com/Evoting/EvotingLogin The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and alsoable to directly access the system of all e-Voting Service Providers.</p>
<p>Individual Shareholders holding securities in demat mode with NSDL Depository</p>	<ol style="list-style-type: none"> 1. If you are already registered for IDEAS facility please visit the e-services website of NSDL. Open web browser by typing the following URL: https://eservices.nsdl.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the “Beneficial Owner” icon under “Login” which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period. 2. If the user is not registered for IDEAS e-Services, option to register is available at https://eservices.nsdl.com. Select “Register Online for IDEAS “Portal or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp 3. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period.
<p>Individual Shareholders (holding securities in demat mode) login through their Depository Participants (DP)</p>	<p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period.</p>

Step 2 : Access through CDSL e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.

(iii) Login method for Remote e-Voting for **Physical shareholders and shareholders other than individual holding in Demat form.**

- 1) The shareholders should log on to the e-voting website www.evotingindia.com.
- 2) Click on “Shareholders” module.
- 3) 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. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.

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

	For Physical shareholders and other than individual shareholders holding shares in Demat.
PAN	Enter your 10digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) - Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. - If both the details are not recorded with the depository or company, please enter the member id / folio number in the Dividend Bank details field.

- (iv) After entering these details appropriately, click on "SUBMIT" tab.
- (v) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (vi) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (vii) Click on the **EVS**N- "**220723006**" for the SHREE SPONGE STEEL AND CASTING LIMITED on which you choose to vote.
- (viii) 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.
- (ix) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (x) 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.
- (xi) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xii) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.

- (xiii) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xvi) There is also an optional provision to upload BR/POA if any uploaded, which will be made available to scrutinizer for verification.
- (xv) **Additional Facility for Non – Individual Shareholders and Custodians –For Remote Voting only.**
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the “Corporates” module.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
 - The list of accounts linked in the login will be mapped automatically & can be delink in case of any wrong mapping.
 - It is Mandatory that, 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.
 - Alternatively Non Individual shareholders are required mandatory to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email hriparikh@shreesponge.com/ accounts_sssf@yahoo.in , if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL/MOBILE NO. ARE NOT REGISTERED WITH THE COMPANY/DEPOSITORIES.

1. For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to hriparikh@shreesponge.com/ accounts_sssf@yahoo.in.
2. For Demat shareholders - Please update your email id & mobile no. with your respective Depository Participant (DP)
3. For Individual Demat shareholders – Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting& joining virtual meetings through Depository.

If you have any queries or issues regarding attending AGM & e-Voting from the CDSL e-Voting System, you can write an email to helpdesk.evoting@cdslindia.com or contact toll free no. 1800 22 55 33

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, (CDSL,) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call toll free no. 1800 22 55 33.

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Other Instructions:

1. The voting rights of the equity shareholders shall be in proportion to their share of the paid-up equity share capital of the Company as on the close of business hours on the **Cut-Off Date i.e. Tuesday, the 6th September, 2022** as per the Register of Members/Register of Beneficial Owners as furnished by the Registrar and Transfer Agents ('RTA')/National Securities Depository Limited ('NSDL')/Central Depository Services (India) Limited ('CDSL') (collectively referred to as 'Depositories').
2. The Board of Directors has appointed M/s. Preyansh Shah & Associates, Practicing Company Secretaries, Vadodara (Membership Number FCS – F9941), as the Scrutinizer to scrutinize the e-voting process in fair and transparent manner.
3. The Scrutinizer shall immediately after the conclusion of voting at the AGM, unblock the votes cast through remote e-voting (votes cast during the AGM and votes cast prior to the AGM) and make, not later than 48 hours of conclusion of the AGM, a consolidated Scrutiniser's Report of the total votes cast in favor or against, if any, to the Chairman or a person authorised by him in writing who shall countersign the same. The Scrutinizer's decision on the validity of votes cast will be final.
4. The Results declared along with the Scrutinizer's Report shall be placed on the Company's website <http://www.shreesponge.com/> immediately after the result is declared by the Chairman or any other person authorized by him and shall be deemed to be passed on the date of Meeting.

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

Date: 21st July, 2022
Place: Por, Dist: Vadodara

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

Director's Report

To,
The Members of
Shree Sponge Steel And Casting Limited

Your directors have pleasure in presenting the 31st Directors' 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, 2022.

1. FINANCIAL HIGHLIGHTS

Particulars	Current Year 2021-22	Previous Year 2020-21
Revenue from Operations	2,39,64,005	3,00,97,434
Other Income	21,234	96,128
Total Income	2,39,85,239	3,01,93,562
Less: Depreciation/ Amortization/ Impairment	29,70,962	49,95,531
Less: Finance Costs	13,43,020	28,96,083
Less: Other Operating & Non-Operating Expenses	1,76,73,320	2,66,30,799
Total Expenses	2,19,87,302	3,45,22,413
Profit /loss before Exceptional items and Tax Expense	19,97,937	(43,28,851)
Add/(less): Exceptional items	0.00	0.00
Profit /loss before Tax Expense	19,97,937	(43,28,851)
Less: Tax Expense		
Current Tax	0.00	0.00
Deferred Tax	(6,08,606)	(49,27,684)
Profit /loss for the year (1)	26,06,543	5,98,833

2. STATE OF COMPANY'S AFFAIRS

The Company is engaged in the Manufacturing of Machineries, Mining Equipments, Hydraulic Cylinders and Hydraulic Power Packs and during the year under review, the total Income of the Company was Rs **2,39,85,239/-** against Rs **3,01,93,562/-** in the previous year that shows the **decrease** in revenue by **approx 20.56 %**. During the period, The Company has **earned Profit after Tax of Rs. 26, 06,543/-** compared to profit of Rs **5,98,833/-** in the previous year that shows the Increase in Profit by **335.27%**.

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

For the financial year ended 31st March, 2022, 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.

SHREE SPONGE STEEL AND CASTING LIMITED

4. 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.

5. ANNUAL RETURN

The Annual Return of your Company is available on its corporate website at <http://shreesponge.com/>.

6. MEETINGS OF THE BOARD OF DIRECTORS

The following Meetings of the Board of Directors were held during the Financial Year 2021-22:

SN	Date of Meeting	Board Strength	No. of Directors Present
1	15.04.2021	4	2
2	15.05.2021	4	4
3	29.05.2021	4	4
4	10.07.2021	4	4
5	30.08.2021	4	4
6	13.11.2021	4	3
7	24.12.2021	4	3
8	08.03.2022	4	4

PRESENCE/ATTENDANCE OF DIRECTORS IN THE MEETINGS

SN	Name of Director	Board Meeting			Committee Meeting			AGM 30/08/2021
		No of Meeting Eligible To Attend Held	No of Meeting attended	%	No of Meeting Eligible To Attend Held	No of Meeting attended	%	
1	Vinaykumar Purushottamdas Parikh	8	8	100.00	-	-	-	Yes
2	Hrishit Vinay Parikh	8	8	100.00	-	-	-	Yes
3	Nandkishor Mulchand Pardeshi	6	4	75.00	-	-	-	Yes
4	Hasmukhlal Vithaldas Shah	8	7	87.50	-	-	-	Yes
5	Devesh Amubhai Pathak	2	1	50.00				NA

7. BOARD OF DIRECTORS

The Board of Directors of the company duly constituted.

A. The Change made during the year under review is as follows.

1. Mr. Devesh Amubhai Pathak is appointed as Additional Director of the Company w.e.f. 13/11/2021. The Board of Director has recommended to Regularize Mr. Devesh Amubhai Pathak as Director in/at the ensuing Annual General Meeting.
2. Mr. Nandkishor Mulchand Pardeshi has been resigned as Director of the Company w.e.f. 22/12/2021.

B. Directors Retiring By Rotation

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

C. 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

8. 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.

9. 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.

10. AUDITOR AND AUDITORS' REPORTS

A. STATUTORY AUDITOR

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.

B. 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.

C. COST AUDITOR

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.

11. 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:

a. Conservation of Energy

Your Company is well positioned to benefit from energy conservation and renewable energy promotion schemes such as Perform, Achieve and Trade (PAT) and Renewable Energy Certificates (RECs) promoted by the Government of India. Your Company continues its efforts to achieve renewable energy share in its total energy consumption based on a mix of energy conservation and renewable energy investments, despite significant enhancement in its scale of operations going forward.

b. Technology Absorption

No major technology absorption from external sources during the year however there have been various internal technologies developed and used. Various innovations had lead to increase in productivity and reduction of quality failures.

c. Foreign Exchange earnings and outgo

Your Company continues to view foreign exchange earnings as a priority. All Businesses in the Company portfolio are mandated to engage with overseas markets with a view to testing and demonstrating international competitiveness and seeking profitable opportunities for growth. During the financial year 2021-22, **Earnings & Expenditure in Foreign Currency is NIL.**

12. 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.

13. 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.

14. DETAILS OF REVISION OF FINANCIAL STATEMENT OR ANNUAL REPORT

No revision of the financial statement or Annual report has been revised during Financial Year 2021-22 for any of the three Preceding financial year.

15. 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.

16. 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.

Following are the details of unsecured loan accepted from Directors or Relatives during F.Y. 2021-22:

Sr. No	Name of director	Nature of Relationship	Amount
1	Vinaykumar P. Parikh	Director	Rs. 18,06,046/-
2	Hrishit Vinay Parikh	Director	Rs. 63,58,209/-

1. 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.

18. COMPOSITION OF AUDIT COMMITTEE

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

19. DIVIDEND

Your directors **do not recommend** any dividend for the year ended 31st March, 2022.

20. 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.

21. COMMENCEMENT OF ANY NEW BUSINESS

During the financial year under review **no new business** commenced by the company.

22. 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.

23. 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.

24. 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.

25. 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.

26. 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.

27. 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.

28. 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.

29. 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.

30. 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.

31. 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.

32. 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.

33. VIGIL MECHANISM / WHISTLE BLOWER POLICY

The Company is **not required** to form such policy.

34. 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.

35. 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.

36. 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.

37. 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.

38. 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:

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.

39. 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 : 16-04-2022

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)

SHREE SPONGE STEEL AND CASTING LIMITED
Registered Office - 6/1/1, GIDC, POR-Ramangamdi,
National Highway No 8, Vadodara - 391243 Gujarat
CIN: U27100GJ1991PLC016203 |
E-mail: hrishparikh@shreesponge.com
Website - <http://shreesponge.com/>

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, 2022, 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, 2022, 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, 2020 ("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;

SHREE SPONGE STEEL AND CASTING LIMITED

- e) On the basis of the written representations received from the directors as on March 31, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022 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

MAYUR AMIN
PROPRIETOR
M. No. 111697
UDIN: 22111697AHEL0L2565

Vadodara, 16th April, 2022

SHREE SPONGE STEEL AND CASTING LIMITED

“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 2022.

- i. (a) The Company is maintaining proper records showing full particulars including quantitative details and situation of property plant & equipment and Intangible 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.
- (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.
- (d) The Company has not revalued its property plant & equipment or intangible assets during the year.
- (e) According to the information and explanations given to us and to the best of the our knowledge and belief there are no proceeding initiated or pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act,1988 and rules made thereunder.
- ii. (a) The inventory (excluding stocks with third parties and materials in transit) has been physically verified by the management during the year and no major discrepancies have been noticed. In our opinion the frequency of verification is reasonable.
- (b) According to the information and explanations given to us and to the best of the our knowledge and belief the Company has not been sanctioned any working capital limit in excess of 5 Cr on the basis of security of current assets and hence are not required to file quarterly returns with any bank or financial institution.
- 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

SHREE SPONGE STEEL AND CASTING LIMITED

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 2022 for a period more than six months from the date they became payable.
 - (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, the Company has not surrendered or disclosed any transaction which has not been recorded in the books of accounts as income during the year in the tax assessments under the Income Tax Act, 1961.
- ix. (a) 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.
- (b) According to the records of the Company examined by us and the information and explanations given by the management, the Company has not been declared as wilful defaulter by any bank or financial institution or other lender.
- (c) According to the information and explanations given to us and to the best of 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.
- (d) According to the information and explanations given to us and to the best of our knowledge and belief, short term loans availed by the Company were, prima facie, have not been applied for long term purposes.
- (e) According to the information and explanations given to us and to the best of our knowledge and belief the company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.
- (f) According to the information and explanations given to us and to the best of our knowledge and belief the company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies.
- x. (a) The Company has not raised funds by initial public offer during the year.
- (b) The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures

SHREE SPONGE STEEL AND CASTING LIMITED

- xi. (a) 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.
- (b) We have not filed any any report under sub-section (12) of section 143 of the Companies Act in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government
- (c) According to the information and explanations given to us and to the best of our knowledge and belief the Company has not received any Whistle-blower complains during the year.
- 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. (a) The Company in view of the size and nature of its business has not appointed external professional agency as internal auditors.
- (b) The Company has not appointed any internal auditor and hence there are no internal audit reports available.
- 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.
- xvi. (a) According to the information and explanations given to us and to the best of our knowledge and belief the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.
- (b) According to the information and explanations given to us and to the best of our knowledge and belief the Company has not conducted any Non-Banking Financial or Housing Finance activities without a valid Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934;
- (c) According to the information and explanations given to us and to the best of our knowledge and belief the Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India,
- (d) According to the information and explanations given to us and to the best of the our knowledge and belief the Company is a standalone Company and is not a party of any Group.
- xvii. The Company has not incurred cash losses in the financial year and in the immediately preceding financial year.

- xviii. There has not been any resignation by statutory auditors of the Company during the year.
- xix. According to the information, explanations, representations given by the management with respect to the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, the knowledge of the Board of Directors and management plans, we are of the opinion that no material uncertainty exists as on the date of the audit report that company is capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date.
- xx. (a) According to the information and explanations given to us and to the best of our knowledge and belief there are no instances where the Company is required to transferred unspent amount on a project to a Fund specified in Schedule VII to the Companies Act within a period of six months of the expiry of the financial year in compliance with second proviso to sub-section (5) of section 135 of the said Act;
- (b) According to the information and explanations given to us and to the best of our knowledge and belief there are no instances of any amount remaining unspent under sub-section (5) of section 135 of the Companies Act, pursuant to any ongoing project, and hence no amount has been transferred to special account in compliance with the provision of sub-section (6) of section 135 of the said Act;
- xxi. The Company is not required to prepare consolidated financial statements. Accordingly sub-clauses (xxi) of clause 3 (iii) of the Order are not applicable to the Company.

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

MAYUR AMIN
PROPRIETOR
M. No. 111697
UDIN: 22111697AHEL0L2565

Vadodara, 16th April, 2022

“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 2022.

Report on the Internal Financial Control sunder 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, 2022 in conjunction with our audit of the standalone financial statements of the Company for they earended on that date.

In our opinion, the Company has, in all material respects, ana dequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2022, 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 responsibilityistoexpressanopinionontheCompany'sinternalfinancialcontrolsover 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) oftheCompaniesAct,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 a 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 control 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

MAYUR AMIN
PROPRIETOR
M. No. 111697
UDIN: 22111697AHEL02565

Vadodara, 16th April 2022

SHREE SPONGE STEEL AND CASTING LIMITED

BALANCE SHEET AS AT 31.03.2022

	PARTICULARS	NOTE NO.	As At 31/03/2022	As At 31/03/2021
I	<u>EQUITY AND LIABILITIES</u>			
1	<u>SHAREHOLDERS FUNDS</u>			
	(a) Share Capital	A	42,380,000	42,380,000
	(b) Reserves and Surplus	B	(28,026,284)	(30,632,827)
	TOTAL(1)		14,353,716	11,747,173
2	<u>NON-CURRENT LIABILITIES</u>			
	(a) Long Term Borrowings	C	-	-
	(b) Deferred Tax Liabilities (Net)		(404,084)	204,522
	(c) Long-Term Provisions	D	3,708,806	3,462,913
	TOTAL(2)		3,304,722	3,667,435
3	<u>CURRENT LIABILITIES</u>			
	(a) Short Term Borrowings	E	8,164,255	18,264,255
	(b) Trade Payables	F	-	-
	For MSME		237,750	152,413
	For Other Than MSME		1,633,693	404,464
	(c) Other Current Liabilities	G	3,923,460	4,193,412
	(d) Short Term Provisions	H		
	TOTAL(3)		13,959,158	23,014,544
	TOTAL(1+2+3)		31,617,596	38,429,152
II	<u>ASSETS</u>			
1	<u>NON-CURRENT ASSETS</u>			
	(a) Fixed Assets			
	(i) Tangible Assets	I	22,799,115	26,311,412
	(ii) Intangible Assets	J	-	-
	(b) Non-Current Investments	K	132,673	132,673
	(c) Long-Term Loans and Advances	L	288,673	840,134
	TOTAL(1)		23,220,461	27,284,219
2	<u>CURRENT ASSETS</u>			
	(a) Inventories	M	6,049,329	9,239,362
	(b) Trade Receivables	N	192,774	438,444
	(c) Cash and Cash Equivalents	O	923,568	461,342
	(d) Short-Term Loans and Advances	P	202,272	316,543
	(e) Other Current Assets	Q	1,029,192	689,242
	TOTAL(2)		8,397,135	11,144,933
	TOTAL(1+2)		31,617,596	38,429,152
	Notes Forming Parts of Accounts	R		

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: 22111697AHELOL2565

For & on behalf of the Board

VINAYKUMAR PARIKH
Chairman & Managing Director
HRISHIT V PARIKH
Executive Director
DEVESH A. PATHAK
Directors
HASMUKHLAL V. SHAH
Directors

Place : Vadodara, dated 16th April 2022

SHREE SPONGE STEEL AND CASTING LIMITED

PROFIT & LOSS STATEMENT FOR THE PERIOD ENDED 31.03.2022

SR. NO.	PARTICULARS	NOTE NO.	YEAR 31/03/2022	YEAR 31/03/2021
	REVENUE FROM OPERATIONS			
I	Revenue from Operations	PL-1	23,964,005	30,097,434
II	Other Income	PL-2	21,234	96,128
III	TOTAL REVENUE(I+II)		23,985,239	30,193,562
IV	EXPENSES:			
a	Cost of Material Consumed	PL-3	5,975,121	7,155,021
b	Trading Purchase		1,592,582	-
c	Changes in Inventories of Finished & Work-in-Progress	PL-4	1,900,212	3,962,686
d	Employee Benefits Expenses	PL-5	4,394,296	9,593,059
e	Finance Costs	PL-6	1,343,020	2,896,083
f	Depreciation and Amortization Expenses	I & J	2,970,962	4,995,531
g	Other Expenses	PL-7		
	i) Other Manufacturing Expenses		1,322,020	2,069,472
	ii) General Administrative & Selling Expenses		2,489,089	3,850,561
	TOTAL EXPENSES		21,987,302	34,522,413
V	PROFIT BEFORE EXCEPTIONAL AND EXTRAORDINARY ITEMS AND TAX (III-IV)		1,997,937	(4,328,851)
VI	Exceptional Items		-	-
VII	PROFIT BEFORE EXTRAORDINARY ITEMS AND TAX (V-VI)		1,997,937	(4,328,851)
VIII	Extraordinary Items		-	-
IX	PROFIT BEFORE TAX (VII-VIII)		1,997,937	(4,328,851)
X	TAX EXPENSE			
a	Current Tax		-	-
b	Deferred Tax		(608,606)	(4,927,684)
XI	PROFIT(LOSS) FOR THE PERIOD FROM CONTINUING OPERATIONS (VII-VIII)		2,606,543	598,833
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)		2,606,543	598,833
XVI	Earning Per Equity Share			
a	Basic		0.62	0.14
b	Diluted		0.62	0.14
	Notes Forming Parts of Accounts	R		

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: 22111697AHELOL2565

For & on behalf of the Board

VINAYKUMAR PARIKH
Chairman & Managing Director
HRISHIT V PARIKH
Executive Director
DEVESH A. PATHAK
Directors
HASMUKHLAL V. SHAH
Directors

Place : Vadodara, dated 16th April 2022

SHREE SPONGE STEEL AND CASTING LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 31/03/2022

	Year Ended 31.03.2022	Year Ended 31.03.2021
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit/(Loss) before tax & extraordinary items	1,997,937	(4,328,851)
Adjustments for :		
Depreciation	2,970,962	4,995,531
(Profit)/Loss on disposal of assets	458,335	(1,551,094)
Operating Profit/(Loss) before Working Capital Changes	5,427,234	(884,414)
Adjustments for :		
(Increase)/Decrease in Inventories	3,190,033	7,300,908
(Increase)/Decrease in Trade & Other Receivables	1,600,644	5,763,507
Increase/(Decrease) in Trade & Other Payables	1,290,507	(380,480)
Cash flow before Extraordinary items	11,508,418	11,799,521
Extraordinary items - Expense/(Income)	-	-
Cash from Operating activities	11,508,418	11,799,521
Taxes paid	(1,029,192)	(684,026)
Net Cash from Operating activities	10,479,226	11,115,495
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets	(140,000)	(498,864)
Sale of Fixed Assets	223,000	22,434,846
Net Cash flow/use in Investing activities	83,000	21,935,982
C. CASH FLOW FROM FINANCING ACTIVITIES		
Unsecured Loans	(10,100,000)	(1,074,981)
Term Loans Repayment	-	-
Bank Borrowings in Cash Credit	-	(31,518,577)
Net Cash flow/use in Financing activities	(10,100,000)	(32,593,558)
D. Net Increase in Cash & Cash Equivalents (A+B+C)	462,226	457,919
E. Opening Cash & Cash Equivalents	461,342	3,423
F. Closing Cash & Cash Equivalents (D+E)	923,568	461,342
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: 22111697AHELOL2565

For & on behalf of the Board

VINAYKUMAR PARIKH
Chairman & Managing Director
HRISHIT V PARIKH
Executive Director
DEVESH A. PATHAK
Directors
HASMUKHLAL V. SHAH
Directors

Place : Vadodara, dated 16th April 2022

SHREE SPONGE STEEL AND CASTING LIMITED

NOTES FORMING PART OF BALANCE SHEET

		As at 31.03.2022	As at 31.03.2021	
NOTE -A SHARE CAPITAL				
AUTHORISED SHARE CAPITAL 2,00,00,000 Equity Shares of Rs.10/- each		200,000,000	200,000,000	
ISSUED, SUBSCRIBED AND PAID UP CAPITAL 42,38,000 Equity Shares of Rs.10/- each fully paid		42,380,000	42,380,000	
TOTAL		42,380,000	42,380,000	
Sr No	Name of Promoter	As on 31/03/2022		
		No of Shares	% of Total Shares	% Change during the year
1	Vinaykumar Purushottamdas Parikh	1,828,315	43.15	-
2	Vandana Vinay Parikh	181,000	4.27	-
3	Hrishit Vinay Parikh	173,600	4.09	-
	Total	2,182,915	51.51	-
Sr No	Name of Promoter	As on 31/03/2021		
		No of Shares	% of Total Shares	% Change during the year
1	Vinaykumar Purushottamdas Parikh	1,828,315	43.15	-
2	Vandana Vinay Parikh	181,000	4.27	-
3	Hrishit Vinay Parikh	173,600	4.09	-
	Total	2,182,915	51.51	-
NOTE - B RESERVES & SURPLUS		As at 31.03.2022	As at 31.03.2021	
Capital Reserve		263,500	263,500	
State Subsidy		1,500,000	1,500,000	
Share Premium				
As at Beginning of the Accounting Year		4,260,000	4,260,000	
Additons -		-	-	
As at end of the year		4,260,000	4,260,000	
Profit & Loss Account				
As at Beginning of the Accounting Year		(36,656,327)	(37,255,160)	
Profit / (Loss) As per Profit & Loss Account		2,606,543	598,833	
As at end of the year		(34,049,784)	(36,656,327)	
TOTAL		(28,026,284)	(30,632,827)	
NOTE - C LONG TERM BORROWINGS				
SECURED BORROWINGS				
Car Loan (Secured by hypothecation of Motor Cars)		-	-	
TOTAL		-	-	
NOTE - D LONG TERM PROVISIONS				
Provision for Employee Benefits		3,708,806	3,462,913	
TOTAL		3,708,806	3,462,913	

SHREE SPONGE STEEL AND CASTING LIMITED

		As at 31.03.2022	As at 31.03.2021			
NOTE - E SHORT TERM BORROWINGS						
FROM BANKS - SECURED		-	-			
FROM RELATED PARTIES -UNSECURED						
	Deposit From Directors	8,164,255	18,264,255			
	TOTAL	8,164,255	18,264,255			
NOTE - F TRADE PAYABLES						
	To Small Enterprise & Micro Enterprise	-	-			
	To Other than Small Enterprise & Micro Enterprise	237,750	152,413			
	TOTAL	237,750	152,413			
Sr No	Particulars	As on 31/03/2022				
		Outstanding for following periods from due date of payment				
		Less than 1 year	1-2 Years	2-3 Years	More than 3 years	Total
1	MSME	-	-	-	-	-
2	OTHERS	237,750	-	-	-	237,750
3	DISPUTED DUES-MSME	-	-	-	-	-
4	DISPUTED DUES-OTHERS	-	-	-	-	-
	TOTAL	237,750	-	-	-	237,750
Sr No	Particulars	As on 31/03/2021				
		Outstanding for following periods from due date of payment				
		Less than 1 year	1-2 Years	2-3 Years	More than 3 years	Total
1	MSME	-	-	-	-	-
2	OTHERS	152,413	-	-	-	152,413
3	DISPUTED DUES-MSME	-	-	-	-	-
4	DISPUTED DUES-OTHERS	-	-	-	-	-
	TOTAL	152,413	-	-	-	152,413
		As at 31.03.2022	As at 31.03.2021			
NOTE - G OTHER CURRENT LIABILITIES						
	Advance received from Customers	1,633,693	404,464			
	TOTAL	1,633,693	404,464			
NOTE - H SHORT TERM PROVISIONS						
	Provisions for Employee Benefits	3,729,604	3,265,676			
	Provision for Duties & Taxes	87,460	825,986			
	Provision for Expenses	106,396	101,750			
	TOTAL	3,923,460	4,193,412			

SHREE SPONGE STEEL AND CASTING LIMITED

NOTE - I TANGIBLE ASSETS

SR. No.	DESCRIPTION OF ASSETS	GROSS BLOCK			DEPRECIATION BLOCK			NET BLOCK		
		01/04/2021	ADD	DED	31/03/2022	01-04-2021	ADD	DED	31-03-2022	31-03-2021
1	Land (Leasehold)	2,701,995	-	-	2,701,995	-	-	-	2,701,995	2,701,995
2	Factory Building	28,457,706	-	-	28,457,706	14,485,060	959,075	-	13,013,571	13,972,646
3	Office Equipments	168,029	-	-	168,029	127,426	12,329	-	28,274	40,603
4	Computers	1,530,664	-	-	1,530,664	1,362,844	103,729	-	64,091	167,820
5	Air Conditioners	50,391	-	-	50,391	19,934	9,574	-	20,883	30,457
6	Vehicles	6,149,791	-	-	6,149,791	2,992,375	543,665	-	2,613,751	3,157,416
7	Furniture & Fixtures	1,426,159	-	-	1,426,159	1,380,096	31,693	-	14,370	46,063
8	Plant & Machinery	17,481,133	140,000	796,441	16,824,692	11,877,959	1,172,210	277,205	4,051,728	5,603,174
9	Electrical Installations	4,556,718	-	-	4,556,718	4,150,670	116,850	-	289,198	406,048
10	Laboratory Equipments	429,016	-	422,266	6,750	243,826	21,837	260,167	1,254	185,190
11	Equipments - Others	65,335	-	-	65,335	65,335	-	-	-	-
	Grand Total	63,016,937	140,000	1,218,707	61,938,230	36,705,525	2,970,962	537,372	22,799,115	26,311,412
	Previous Year	120,197,138	498,864	57,679,065	63,016,937	67,845,031	4,905,777	35,270,085	26,311,412	61,555,512

NOTE - J INTANGIBLE ASSETS

SR. No.	DESCRIPTION OF ASSETS	GROSS BLOCK			DEPRECIATION BLOCK			NET BLOCK		
		01-04-2021	ADD	DED	31-03-2022	01-04-2021	ADD	DED	31-03-2022	31-03-2021
1	Technical knowhom	1,345,427	-	-	1,345,427	1,345,427	-	-	1,345,427	-
2	Computer Software	265,000	-	-	265,000	265,000	-	-	265,000	-
	Grand Total	1,610,427	-	-	1,610,427	1,610,427	-	-	1,610,427	-
	Previous Year	1,610,427	-	-	1,610,427	745,473	89,754	-	1,610,427	112,064

SHREE SPONGE STEEL AND CASTING LIMITED

	As at 31.03.2022	As at 31.03.2021
NOTE - K NON CURRENT INVESTMENT		
Investments in Equity Instruments (Quoted)		
5895 Equity Shares of Bank of Baroda	132,673	132,673
(Market Value On 31.03.2021 Rs.3.16 Lacs and On 31.03.2022 Rs.4.37 Lacs)		
TOTAL	132,673	132,673
NOTE - L LONG TERM LOANS & ADVANCES		
Unsecured, Considered Good		
Deposit with Madhya Gujarat Vij Company Ltd	249,773	801,234
Deposit with Other Suppliers	38,900	38,900
TOTAL	288,673	840,134
NOTE - M INVENTORIES		
Raw Materials	830,409	2,042,923
Stores & Spares & Others	158,720	236,027
Finished Goods	2,368,350	3,581,550
Work in Process	2,691,850	3,378,862
TOTAL	6,049,329	9,239,362
NOTE - N TRADE RECEIVABLE		
Unsecured, Considered Good		
Over Six Months	101,828	438,444
Below Six Months	90,946	-
TOTAL	192,774	438,444

Sr No	Particulars	As on 31/03/2022					
		Outstanding for following periods from due date of payment					
		Less than 6 months	6 months -1 years	1-2 Years	2-3 Years	More than 3 years	Total
1	Undisputed Trade receivables- considered good	90,946	-	101,828	-	-	192,774
2	Undisputed Trade receivables- considered Doubtful	-	-	-	-	-	-
3	Disputed Trade receivables- considered good	-	-	-	-	-	-
4	Disputed Trade receivables- considered Doubtful	-	-	-	-	-	-
	Total	90,946	-	101,828	-	-	192,774

Sr No	Particulars	As on 31/03/2022					
		Outstanding for following periods from due date of payment					
		Less than 6 months	6 months -1 years	1-2 Years	2-3 Years	More than 3 years	Total
1	Undisputed Trade receivables- considered good	101,828	21,601	-	-	315,015	438444
2	Undisputed Trade receivables- considered Doubtful	-	-	-	-	-	-
3	Disputed Trade receivables- considered good	-	-	-	-	-	-
4	Disputed Trade receivables- considered Doubtful	-	-	-	-	-	-
	Total	101,828	21,601	-	-	315,015	438444

SHREE SPONGE STEEL AND CASTING LIMITED

	As at 31.03.2022	As at 31.03.2021
NOTE - O CASH & CASH EQUIVALENT		
Cash on Hand		
Balance with Schedule Bank In Current Account	19,826	17,233
ICICI BANK LTD	903,742	444,109
TOTAL	923,568	461,342
NOTE - P SHORT TERM LOANS & ADVANCES		
Unsecured, Considered Good		
Advances recoverable in cash or kind or for value to be received	202,272	316,543
TOTAL	202,272	316,543
NOTE - Q OTHER CURRENT ASSET		
Deposit & Receivables from Tax Authorities	-	5,216
TDS Receivable	1,029,192	684,026
TOTAL	1,029,192	689,242

NOTES FORMING PART OF PROFIT & LOSS ACCOUNT

	Year ended on 31.03.2022	Year ended on 31.03.2021
NOTE - PL-1 REVENUE FROM OPERATIONS		
Sale of Products	11,375,400	15,265,078
Sale of Services	9,136,763	9,861,266
Trading Sales	3,451,842	4,971,090
Net Revenue from Operations	23,964,005	30,097,434
NOTE - PL-2 OTHER INCOME		
Interest Received	21,234	96,128
TOTAL	21,234	96,128
NOTE - PL-3 COST OF MATERIAL CONSUMED		
Opening Stock	2,042,923	3,086,207
Raw Material Purchased	4,762,607	6,111,737
	6,805,530	9,197,944
Less : Closing Stock	830,409	2,042,923
TOTAL	5,975,121	7,155,021
NOTE - PL-4 CHANGE IN INVENTORY OF FINISHED GOODS & WORK IN PROCESS		
Closing Stock - Finished Goods	2,368,350	3,581,550
Closing Stock - Work in Process	2,691,850	3,378,862
Less: Opening Stock - Finished Goods	3,581,550	643,770
Opening Stock - Work in Process	3,378,862	10,279,328
TOTAL	1,900,212	3,962,686
NOTE - PL-5 EMPLOYEE BENEFIT EXPENSES		
Directors' Remuneration & Perquisites	2,065,044	6,653,546
Salaries & Wages	1,556,192	1,961,635
Contribution to P.F. & Labour Welfare Fund	366,029	968,419
Allowance & Other Expenses	407,031	9,459
TOTAL	4,394,296	9,593,059
NOTE - PL-6 FINANCE COST		
Interest on Borrowings	1,341,812	2,733,131
Bank Charges	1,208	162,952
TOTAL	1,343,020	2,896,083

SHREE SPONGE STEEL AND CASTING LIMITED

	Year ended on 31.03.2022	Year ended on 31.03.2021
NOTE - PL-7 OTHER EXPENSES		
<u>i) OTHER MANUFACTURING EXPENSES</u>		
Stores & Spares Consumed	465,893	822,340
Power & Fuel	202,704	726,758
Water Charges	-	8,059
Repairs & Maintenance	125,829	41,223
Factory Expenses	46,035	70,841
Testing Charges & Fees	1,831	20,376
Labour Charges	380,720	77,950
Pattern Expenses	45,500	18,000
Value Added Tax / Central Sales Tax.	53,508	283,925
TOTAL	1,322,020	2,069,472
<u>ii) GENERAL ADMINISTRATIVE & SELLING EXPENSES</u>		
Factory License Fees	22,580	29,676
Insurance Premium	38,054	113,921
Rent, Rates & Taxes	228,238	2,160,221
Company Professional Tax	2,400	2,400
Office & General Expenses	19,800	12,800
Directors' Sitting Fees	50,000	50,000
Printing & Stationery	13,649	147,223
Telephone, Postage & Telegram	32,265	233,878
Professional Charges	199,495	104,585
Loss on Sale of assets	261,434	1,888,752
Loss on discard of assets	196,901	10,724,990
Profit on Sale of Land	-	(14,164,836)
Discount/Balance written off	3,299	692,808
Repairs & Maintenance (Others)	440,772	319,545
Miscellaneous Gen. Admin. & Selling Expenses	275,606	671,107
Conveyance Expenses	33,730	7,650
Auditor's Remuneration	75,000	75,000
Membership, Subscription & Seminar Fees	17,920	50,993
Advertisement Expenses	25,000	-
Security Expenses	552,946	729,848
TOTAL	2,489,089	3,850,561

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 of 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, Consumable At cost on FIFO basis excluding duties / tax rebates
- (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

SHREE SPONGE STEEL AND CASTING LIMITED

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.

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 31.03.2022

	Current Year	Previous Year
<u>DEFERRED TAX LIABILITY</u>		
Depreciation	18,64,380	22,71,180
<u>DEFERRED TAX ASSET</u>		
Bonus & Retirement Benefits	22,68,464	20,66,658
<u>NET DEFERRED TAX LIABILITY/(ASSET)</u>	- 4,04,084	2,04,522

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. Immovable Property

The title deeds of all immovable properties owned by the Company are in the name of the Company. There same are not jointly held with others. The Company has not revalued its Property, Plant and Equipment during the year.

7. Borrowings

The Company has not borrowed any loans secured against current assets of the Company and hence corresponding disclosures are not applicable to the Company.

8. 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.

Gratuity Plan / Leave Encashment

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:

SHREE SPONGE STEEL AND CASTING LIMITED

Particulars	Current Year	Previous Year
Change in present value of obligations	Gratuity Fund	
Obligation at beginning of the year	2653659	2465353
Service cost	149879	117637
Interest Cost	84294	74379
Actuarial (gain) / loss	(149599)	(3710)
Benefits paid	0	0
Obligation at the end of the period	2738233	2653659
Change in Plan Assets		
Fair value of Plan assets at beginning of the period	53387	0
Actual return on plan assets	0	49979
Actuarial gain / (loss)	2867	3408
Contributions	1424	0
Benefits paid	0	0
Fair value of plan assets at end of the period	57678	53387
Reconciliation of present value of the obligation and the fair value of plan asset		
Present value of the defined obligation at the end of the period	2738233	2653659
Fair value of plan assets at the end of the period	57678	53387
Fund status amount of liability recognised in the balance sheet	2680555	2600272
Gratuity Cost for the Period:		
Service Cost	149879	117637
Interest Cost	84294	74379
Actual Return on Plan Asset	0	49979
Actuarial (Gain) / Loss	(152466)	(7118)
Net Cost	81707	134919
Assumptions		
Interest Rate	5.90%	5.30%
Estimated Rate of Return on Plan Asset	5.90%	5.30%
Rate of Growth in Salary Levels	5%	5%

Particulars	Leave Encashment	Unfunded
Change in present value of obligations		
Obligation at beginning of the period	3927742	3342140
Service cost	224472	225510
Interest Cost	130917	105176
Actuarial (gain) / loss	217423	254916
Benefits paid	0	0
Obligation at the end of the period	4500554	3927742
Leave Encashment Cost for the Period:		
Service Cost	224472	225510
Interest Cost	130917	105176
Actuarial (Gain) / Loss	217423	254916
Net Cost	572812	585602
Assumptions		
Interest Rate	5.90%	5.30%
Rate of Growth in Salary Levels	5.00%	5.00%

SHREE SPONGE STEEL AND CASTING LIMITED

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

	Current Year (Rs.)	Previous Year (Rs.)
10. Contingent Liability not provided	Nil	Nil
11. Managerial Remuneration		
i) Chairman & Managing Director		
(a) Salary	350000	3050000
(b) Contribution to Provident Fund	42000	420000
(c) Monetary Value of Perquisites	200318	151802
ii) Executive Director		
(a) Salary	1500000	3000000
(b) Contribution to Provident Fund	180000	360000
(c) Monetary Value of Perquisites	14726	1744
(d) Leave Encashment Paid	Nil	Nil
(e) Gratuity Paid	Nil	Nil
12. Remuneration to Auditors include		
(a) Audit Fees	60000	60000
(b) Tax Audit Fees	15000	15000
(c) Others	0	5000

13 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.

14 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 11(i) above) Interest on Unsecured Loans Rs.7.13 Lacs Repayment of Unsecured Loan Rs. 102.01 Lacs
Mr.Hrishit Vinay Parikh	Executive Director	Directors Remuneration (Amount as per 11(ii) above) Interest on Unsecured Loans Rs. 6.29 Lacs Repayment of Unsecured Loan Rs. 0 Lacs

SHREE SPONGE STEEL AND CASTING LIMITED

15. Disclosure on Loans/ Advance to Directors/ KMP/ Related parties:

The Company has not given any loans to Directors/KMP/Related Parties of the Company and hence corresponding disclosures are not applicable to the Company

16. The details of Relation and transactions entered by the Company with Struck off Company are given hereunder:

The Company has not entered into any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.

17. The Company has duly registered the Charge with registrar of Companies for loans obtained by the Company.

18. Key Ratios

Ratio	Amount as on 31st March 2022	Ratio as on 31st March 2022	Amount as on 31st March 2021	Ratio as on 31st March 2021	% Deviation
Current Ratio					
Current Assets	8,397,135	0.60	11,144,933	0.48	24.22%
Current Liabilities	13,959,158		23,014,544		
Debt-to-equity Ratio					
Liabilities	11,873,061	0.28	21,727,168	0.51	-45.35%
Equity	42,380,000		42,380,000		
Debt Service Coverage Ratio					
Profit before interest, tax and, Depreciation	6,311,919	0.55	3,562,763	0.90	-38.52%
Total Interest and Principal payments	11,443,020		39,71,064		
Return on Equity Ratio					
Net Profit for the year(PAT)	2,606,543	6%	598,833	1%	335.27%
Equity	42,380,000		42,380,000		
Inventory Turnover Ratio					
Cost of Goods Sold	9,467,915	1.24	11,117,707	0.92	35.10%
Inventory	7,644,346		12,127,201		
Receivables Turnover Ratio					
Revenue from operations	23,964,005	75.93	30,097,434	25.71	195.37%
Average Receivables	315,609		11,70,792		
Payables Turnover Ratio					
Cost of Goods Sold	9,467,915	48.53	11,117,707	28.18	72.24%
Average Payables	195,082		3,94,560		
Net capital turnover Ratio					
Revenue from operations	23,964,005	1.67	30,097,434	2.56	-34.84%
Net Capital	14,353,716		11,747,173		
Net profit ratio					
Net Profit for the year(PAT)	2,606,543	11%	598,833	2%	447.94%
Net Sales	23,985,239		30,193,562		
Return on Capital employed Ratio					
Profit before interest and tax	3,340,957	23%	(1,432,768)	-12%	290.84%
Capital Employed	14,353,716		11,747,173		
Return on investment Ratio					
Current Value of Investment–Cost of Investment					
Cost of Investment					NA

Note: Explanation for change in ratio above 25%

- (i) Debt to Equity Ratio declined due to reduction in Liabilities in comparison with previous year
- (ii) Debt Service Coverage Ratio declined due to higher interest and principle repayment made in comparison with previous year
- (iii) Return on Equity Ratio increased due to increase in Net Profit in comparison with previous year
- (iv) Inventory turnover Ratio increased due to reduction in inventory in comparison with previous year
- (v) Receivable Turnover Ratio improved due to lower trade receivables
- (vi) Payable Turnover Ratio improved due to lower trade payables
- (vii) Net Capital Turnover Ratio declined due to declined in revenue from operation.
- (viii) Net Profit ratio for the year increased in view of reduction in interest cost for the year
- (ix) Return on Capital employed ratio improved due to increase in Profit before tax.

19. Other

Other than in the normal and ordinary course of business there are no funds that have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Company; or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

There have been no funds that have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Funding Party or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

SHREE SPONGE STEEL AND CASTING LIMITED

	Current Year Value (Rs.)	Last Year Value (Rs.)
20. (a) Materials Consumed		
Raw Material	5,975,121	7,155,021
Stores & Spares & Others	465,893	822,340
Consumption		
Imported	NIL	NIL
Indigenous	6,441,014	7,977,361
(b) Work in Progress		
Work in Process - Castings	660,480	2,963,367
Work in Process - Fab. Machine Parts	0	46,750
Work in Process - Crushers	2,031,370	368,745
(f) Sales Turnover		
Castings	31,94,800	13,785,078
Trading	3,451,842	4,971,090
Crushers	74,74,000	0
Machine Part Fabrication	7,06,600	1,480,000
Commission / Job Work	91,36,763	9,861,266
(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 MAYUR AMIN & ASSOCIATES

Chartered Accountants

CA. MAYUR D. AMIN

Proprietor
M No. 111697

Firm Reg.No. 122470W
UDIN:22111697AHELOL2565

For & on behalf of the Board

VINAYKUMAR PARIKH

Chairman & Managing Director

HRISHIT V PARIKH

Executive Director

DEVESH A. PATHAK

Directors

HASMUKHLAL SHAH

Directors

Place : Vadodara, dated 16th April 2022

SHREE SPONGE STEEL AND CASTING LIMITED

**SHREE SPONGE STEEL AND CASTING LIMITED
(Formerly - Shree Sponge Steel And Forging Limited)**

ATTENDANCE SLIP

31st Annual General Meeting – Monday, 12th September, 2022

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 **31st Annual General Meeting of the Company held on Monday, 12th September, 2022**, at Registered office situated at 6/1/1, GIDC, Por-Ramangamdi National Highway No 8 Vadodara Gujarat -391243 India 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.

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SHREE SPONGE STEEL AND CASTING LIMITED

SHREE SPONGE STEEL AND CASTING LIMITED
(Formerly - Shree Sponge Steel And Forging Limited)
6/1/1, GIDC, Por-Ramangamdi,
National Highway No 8, Baroda - 391243 Gujarat
E-Mail : accounts_sssfl@yahoo.in | CIN : U27100GJ1991PLC016203

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]

**31st Annual General Meeting of Shree Sponge Steel and Casting Limited:
Monday, 12th September, 2022**

CIN	U27100GJ1991PLC016203
Name of the company	Shree Sponge Steel And Casting Limited
Registered office	6/1/1, GIDC, Por-Ramangamdi, National Highway No.8, Baroda 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) of shares 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 **31st Annual General Meeting of the company, to be held on Monday, 12th September, 2022 at 11.00 A.M.** at the Registered Office of the Company situated at 6/1/1, GIDC, Por-Ramangamdi National Highway No 8 Vadodara Gujarat -391243 India 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 retire by Rotation
Special Business	
3	To regularize Appointment of ShriDeveshAmubhaiPathak as Director
4	Reduction of Share Capital of the Company

Signed this..... day of..... 2020

Affix
Revenue
Stamp

Signature of shareholder

Signature of Proxy holder

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.

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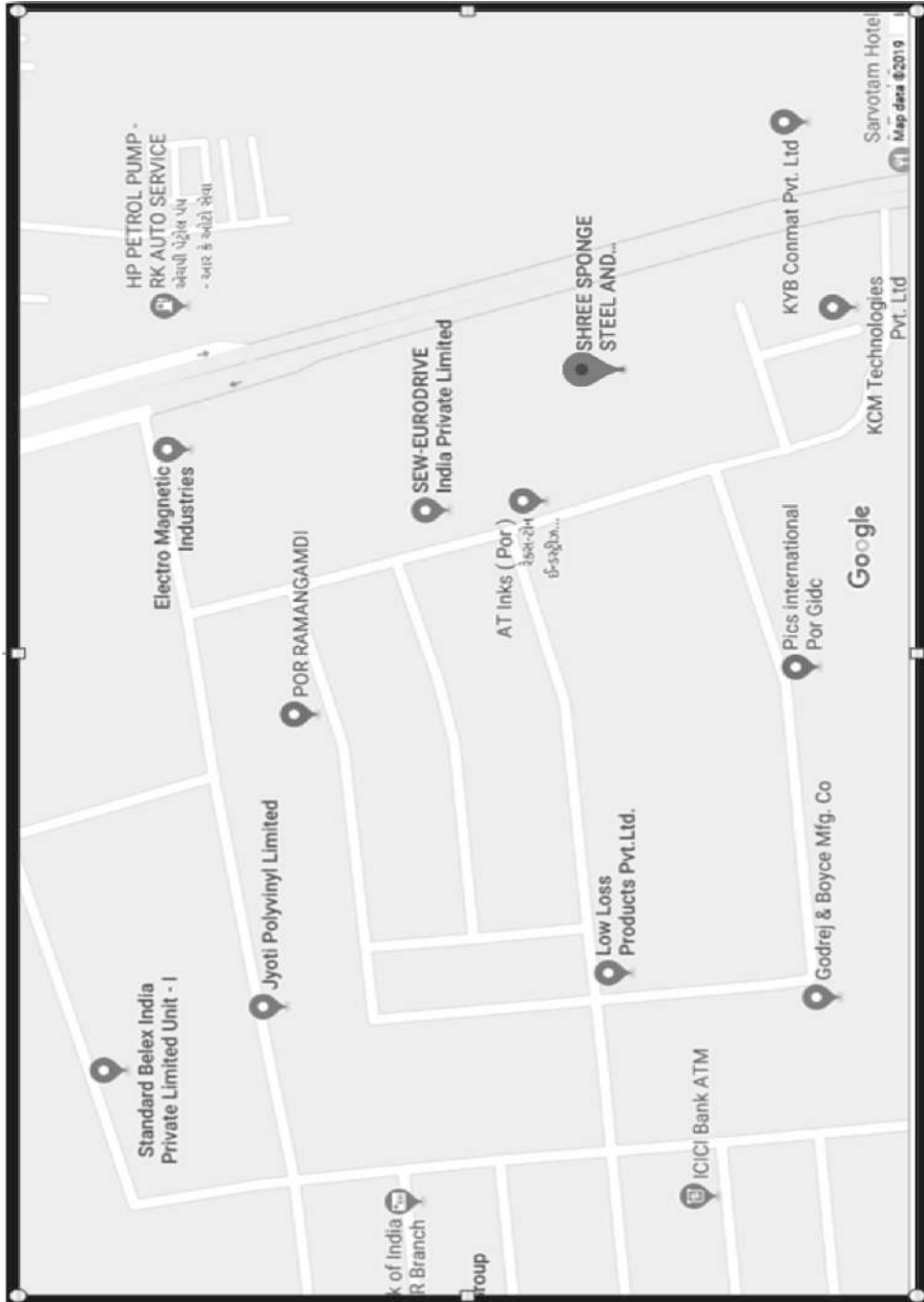
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Venue of AGM: Route Map:

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

Longitude: 73.1860807

Latitude: 22.1297358,



BOOK POST
PRINTED MATTER

To,

If Undelivered Please return to:
SHREE SPONGE STEEL AND CASTING LIMITED
6/1/1, GIDC, Por – Ramangamdi,
National Highway No.8,
Dist: Vadodara – 391 243