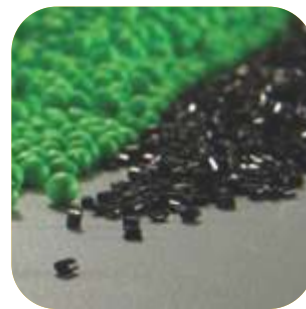




METROGlobal Limited

(CIN No: L21010MH1992PLC069527)

2017-18 annual report



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CHAIRMAN'S MESSAGE

SECRET OF CHANGE

The secret of change is to focus all your energy, not on fighting the old, but on building the new. Likewise, in past few years, there had been a lot of changes made in the Indian Economy. But we also need to change the way we look at our economy. There are a lot of things we don't measure well.

On 1st July 2017, GST came in to the picture in the Indian Economy under Prime Minister Narendra Modi's Government. GST is defined as Goods and Service Tax, which was a replacement to existing indirect taxes like excise duty, Service Tax, VAT, etc. It will be levied all over India on the supply of goods and services

GST has brought in 'one nation one tax' system, but its effect on various industries is slightly different. The first level of differentiation will come in depending on whether the industry deals with manufacturing, distributing and retailing or is providing a service.

At all stages of the supply chain there is no tax, post GST. Moreover, the availability of input credits is welcomed. Real Estate sector has mostly benefitted from the introduction of GST, as much of this sector is becoming more transparent. GST, demands businesses to set-up mechanism for meeting the requirements of GST. Therefore, once the companies adopt the requirements, the compliance costs will go down drastically. Implementation of GST is believed to be positive to the chemical industry, especially in the long term. Despite some changes under the GST regime, the textile sector benefitted with the implementation of the regime.

But due to GST business which was not under the tax bracket previously will now have to register. This will lead to lesser tax evasion.

THE COMPANY-STANDING FIRM

Your Company has diversified its business mainly on trading of various items i.e. Chemicals, Plastics, Textiles etc. and Realty Business.

The revenue from operations of the company from the various segment was **Rs. 338.75** crores for the year 2017-18 as against the turnover of Rs. 352.15 crore during the year 2016-17.

Your Company earned net profit (including Comprehensive Income) as per Ind As-19 of **Rs.17.80 crores** during the year **2017-18** as against the net profit (including Comprehensive Income) as per Ind As-19 of Rs.15.62 crores during the year 2016-17.

Your Company's performance has maintained steady growth during 2017-18 due to implementation of GST & RERA In real estate sector. However management of the company is making sincere efforts for better performance in coming years through more innovative strategies and increased productivity.

THE COMPANY PILLARS

Behind this steady performance story are the efforts of the Metroglobal team that pushed the limits to take the company forward and higher. I humbly acknowledge their valuable contribution to your company.

The tremendous support in all forms by the Board was the backbone of overcoming hurdles and making progress even in difficult circumstances. Other stakeholders also played an important role in the transformation. I thank them all for their encouragement and backing that makes me optimistic and enthusiastic about the future of your company with the confidence to face any challenges with success.



13th August, 2018

Gautam M. Jain

**METROGlobal Limited**

(CIN No: L21010MH1992PLC069527)

| | |
|------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| BOARD OF DIRECTORS | : Mr. Gautam M. Jain (DIN No: 00160167) Chairman & Managing Director Mr. Rahul G. Jain (DIN No:01813781) Executive Director Mr. Sandeep S. Bhandari (DIN No: 01379445) Independent Director Mr. Nilesh R. Desai (DIN No: 00414747) Independent Director Mrs. Krati R. Jain (DIN No: 7150442) Woman Director |
| COMPANY SECRETARY & CHIEF FINANCIAL OFFICER | : Mr. Nitin S. Shah (M. No. 7088) |
| AUDITORS | : M/s AMPAC & Associates, Chartered Accountants, Mumbai |
| BANKERS | : State Bank of India Law Garden Branch Navrangpura, Ahmedabad - 380 009. |
| REGISTERED OFFICE | : 101, 1 st Floor,"Mangal Disha", Near Guru Gangeshwar Temple, 6 th Road, Khar (West), Mumbai-400052, Maharashtra, (India) |
| CORPORATE OFFICE | : 5th Floor, 508-509, "SHILP " Building, Opp: Girish Cold Drinks, C.G.Road, Navrangpura, Ahmedabad-380009 |
| SHARE TRANSFER REGISTRAR | : Sharex Dynamic (India) Pvt.Ltd. Unit : MetroGlobal Limited (CIN No: 21010MH1992PLC069527) Unit No-1, Luthara Ind. Premises, Andheri Kurla Road, Safed pool, Andheri (E), Mumbai 400 072 |

IMPORTANT COMMUNICATION TO MEMBERS

The Ministry of Corporate Affairs has taken a "Green Initiative in the Corporate Governance" by allowing paperless compliances by the Companies and has issued circulars stating that service of notice/documents including Annual Report can be sent by e-mail to its members. To support this green initiative of the Government in full measure, members who have not registered their e-mail addresses, so far , are requested to register their email addresses, in respect of electronic holding with the Depository through their concerned Depository Participants.

NOTICE

NOTICE is hereby given that the **Twenty Sixth Annual General Meeting** of the Shareholders of the Metro Global Limited will be held on Saturday, **29th September, 2018** at 12.30 p.m. at Conference Hall of The Oriental Residency, Next to Khar Telephone Exchange, P.D. Hinduja Marg, Khar (West), Mumbai-400052 to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2018 and Statement of Profit and loss account for the financial year ended on 31st March, 2018 together with the reports of the Board of Directors and the Auditors thereon.
2. To Appoint a Director In place of Mr. Rahul G Jain (Din No: 01813781) who retires by rotation and being eligible, offers himself for re appointment.
3. To ratify appointment of M/s AMPAC & Associates, Chartered Accountants as Statutory Auditors of the Company. and to fix their remuneration

“RESOLVED THAT pursuant to the provisions of Section 139 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit And Auditors) Rules, 2014 (including any statutory modification(s) or re-enactments thereof for the time being in force) the Company hereby appoint M/s. AMPAC & Associates, Chartered Accountants, Mumbai (holding Registration NO: FRN112236W) (Membership No:0444062), as Statutory Auditors of the Company to hold office from the conclusion of this meeting until the conclusion of the next Annual General Meeting subject to ratification of their appointment at every Annual General Meeting, on such remuneration as may be decided by the Audit Committee/ Board of Directors of the Company.”

SPECIAL BUSINESS:

4. Reclassification of Promoters of the Company as Public Shareholders.

To consider and approve reclassification of Promoters of the Company and in this regard to consider and fit ,to pass, with or without modification(s), the following resolution as a **Special Resolution**.

“ RESOLVED THAT pursuant to provisions of Regulation 31A (2) read with Regulation 31 A (7) of the Securities and Exchange Board of India (Listing Obligations and Disclosures Requirements) Regulations, 2015 (Including any amendments made thereto) (hereinafter referred to as Listing Regulations”) or any other applicable provisions of Listing Regulations and other applicable laws, consent of the members of the company be and is hereby given to reclassify the following entity from “Promoter Category” to Public Category” since the entity are neither involved in the management nor holds any controlling stake in the Company and also none of the aforesaid entity has entered into any Shareholders Agreement with the Company nor have they got any Veto Rights Or Special Information Rights or Special Rights as to Voting power or Control of the Company.

| Sr No | Name of the Entity/Company | No. of Equity Shares Held | % of the total Equity Capital |
|-------|-------------------------------------------|---------------------------|-------------------------------|
| 1 | Spring Trading and Investment Pvt Limited | 487666 | 2.99% |

“RESOLVED FURTHER THAT it is hereby confirmed that

- i. the aforesaid entity/Company do not hold more than 10% of the Paid up Capital of the Company.
- ii. the shareholding of the aforesaid entity is only upto 2.99% of the equity share capital of the Company.
- iii. the aforesaid entity/Company has not and will continue to not exercise direct or indirect control over the Company.
- iv. No director of the above entity /Company has been or would be appointed as key managerial personnel of the Company.
- v. No special right were even held and would not be ever held by the above reclassified entity/Company .

“RESOLVED FURTHER THAT for the purpose of giving effect to the above resolution, the Board or the officers authorised by the Board in this regard be and are hereby authorized to do all such acts, deeds, matters and things as may be necessary or expedient and to settle any questions, difficulties or doubts that may arise in this regard without requiring the Board to secure any further consent or approval of the members of the Company.”

5. Revision of Remuneration of Mr.Gautam M.Jain (DIN 00160167), as Executive Chairman and Managing Director of the Company.

To Consider and if thought fit, to pass with or without modification, the following resolution as **SPECIAL RESOLUTION**:

“RESOLVED THAT pursuant to recommendation of the Board Governance, Nomination and Remuneration Committee, and approval of the Board and subject to the provisions of Sections 196, 197, 198, 203 and other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules,2014 (including any statutory modification or re-enactment thereof) read with Schedule- V of the Companies Act, 2013 and Articles of Association of the Company, approval of the members of the Company be and is hereby accorded to the revision of remuneration of Mr. Gautam M.Jain (Din: 00160167), as Executive Chairman and Managing Director (designated as “Executive Chairman”) of the Company with effect from 1st October,2018 to 11th November,2021” as well as the payment of salary, commission and perquisites (hereinafter referred to as “remuneration”), upon the terms and conditions as detailed in the explanatory statement attached hereto, which is hereby approved and sanctioned with authority to the Board of Directors to alter and vary the terms and conditions of the said revision of remuneration and / or agreement in such manner as may be agreed to between the Board of Directors and Mr. Gautam M.Jain (Din No: 00160167).

RESOLVED FURTHER THAT the remuneration payable to Mr. Gautam M.Jain (Din No: 00160167), shall not exceed the overall ceiling of the total managerial remuneration as provided under Section 197 of the Companies Act, 2013 or such other limits as may be prescribed from time to time.

RESOLVED FURTHER THAT the Board be and is hereby authorized to do all such acts, deeds and things and execute all such documents, instruments and writings as may be required and to delegate all or any of its powers herein conferred to any Committee of Directors or Director(s) to give effect to the aforesaid resolution.”

6. Revision of remuneration of Mr. Rahul G.Jain (DIN 01813781), as Executive Director/Whole Time Director of the Company.

To Consider and if thought fit, to pass with or without modification, the following resolution as **ORDINARY RESOLUTION**:

ORDINARY RESOLUTION:

“RESOLVED THAT pursuant to recommendation of the Board Governance, Nomination and Remuneration Committee, and approval of the Board and subject to the provisions of Sections 196, 197, 198, 203 and other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules,2014 (including any statutory modification or re-enactment thereof) read with Schedule- V of the Companies Act, 2013 and Articles of Association of the Company, approval of the members of the Company be and is hereby accorded to the re-vision of remuneration of Mr. Rahul G.Jain (Din No: 01813781), as Executive Director/ Whole-time Director of the Company with effect from 1st October,2018 to 12th November,2021.” as well as the payment of salary, commission and perquisites (hereinafter referred to as “remuneration”), upon the terms and conditions as detailed in the explanatory statement attached hereto, which is hereby approved and sanctioned with authority to the Board of Directors to alter and vary the terms and conditions of the said revision of remuneration- and / or agreement in such manner as may be agreed to between the Board of Directors and Mr.Rahul G.Jain (Din No: 01813781).

RESOLVED FURTHER THAT the remuneration payable to Mr. Rahul G.Jain (Din No: 01813781) shall not exceed the overall ceiling of the total managerial remuneration as provided under Section 197 of the Companies Act, 2013 or such other limits as may be prescribed from time to time.

RESOLVED FURTHER THAT the Board be and is hereby authorized to do all such acts, deeds and things and execute all such documents, instruments and writings as may be required and to delegate all or any of its powers herein conferred to any Committee of Directors or Director(s) to give effect to the aforesaid resolution.”

Registered Office :

101, 1st Floor, “Mangal Disha”,
Near Guru Gangeshwar Temple,
6th Road, Khar (West),
Mumbai-400052, Maharashtra, (India)
Date : 13th August,2018

By the Order of the Board

Sd/-

Nitin S.Shah

Company Secretary

NOTES :

1. A member entitled to attend and vote is entitled to appoint a proxy, or, where that is allowed, one or more proxies, to attend and vote instead of himself, and that a proxy need not be a member.
2. Proxies to be effective must be received by the Company not less than 48 hours before the meeting.
3. Pursuant to provisions of Section 105 of the Companies Act, 2013, read with the applicable rules thereon, a person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights, may appoint a single person as proxy, who shall not act as a proxy for any other member.
4. Corporate members intending to send their authorized representatives to attend the meeting are requested to send to the Company a certified copy of the Board resolution authorizing their representative to attend and vote on their behalf at the meeting.
5. Only bonafide members of the Company whose names appear on the Register of Members/Proxy holders, in possession of valid attendance slips duly filled and signed will be permitted to attend the meeting. The Company reserves its right to take all steps as may be deemed necessary to restrict non-members from attending the meeting.
6. Members are requested to bring their copies of Annual Report to the Meeting. In order to enable us to register your attendance at the venue of the Annual General Meeting, we request you to please bring your folio number/demat account number/DP ID-Client ID to enable us to give you a duly filled attendance slip for your signature and participation at the meeting.
7. In case of joint holders attending the meeting, only such joint holder who is higher in the order of names will be entitled to vote.
8. The Register of Members and Share Transfer Books of the Company will be closed from **Friday, 21st September, 2018 to Friday, 28th September, 2018 (both days inclusive)** for the purpose of Annual General Meeting (AGM).
 - a. In terms of Section 205A and 205C of the Companies Act, 1956, any dividend remaining unclaimed of Metrochem Industries Limited , merged with Metroglobal Limited for a period of seven years from the due date of payment is required to be transferred to the 'Investors' Education and Protection Fund (IEPF). There is no dividend declared during the F.Y.2010-11 hence Transfer to 'Investors' Education and Protection Fund (IEPF) is not applicable to the Company. However Fractional Unpaid Warrents unpaid amount will be transferred to Investors' Education and Protection Fund (IEPF) during the May, 2019.
 - b. It may be noted that once the unclaimed dividend is transferred to the IEPF as above, no claim shall lie against the Company or the said fund and no payment shall be made in respect of any such claims. Company in terms of requirement of Ministry of Corporate Affairs (MCA) has uploaded the name of the shareholders on the web site of Company and that of MCA (www.mca.gov.in)
9. Members desirous of obtaining any information, concerning the accounts and operations of the company, are requested to send their queries to the company at least seven days before the meeting, so that the information required by the members may be made available at the meeting.
10. Please intimate the changes, if any, in your registered address, to the Company's Registrar & Share Transfer Agent at the following address:-
Sharex Dynamic (India) Pvt. Ltd.
Unit: Metroglobal Limited
Unit No-1, Luthara Ind. Premises, Andheri Kurla Road, Safed pool, Andheri (E), Mumbai 400 072
11. As required under the Listing Agreement with the Stock Exchanges, the particulars of Directors who are proposed to be appointed / re-appointed are as per attached Annexure 1.
12. Voting through electronic means:-In compliance with the provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies [Management and Administration] Rules, 2014, the Company is providing e-voting facility as an alternative mode of voting which will enable the Members to cast their votes electronically. Necessary arrangements have been made by the Company with Central Depository Services (India) Limited (CDSL) to facilitate e-voting. The detailed process, instructions and manner of e-voting facility is annexed to the Notice.
13. This is to bring to the notice of the Shareholders that the request for effecting transfer of securities held in physical form (except in case of transmission or transposition) would not be entertained and shall not be processed by the Company /RTA of the Company w.e.f. 5th December,2018 pursuant to SEBI Notification No. SEBI/LAD-NRO/GN/2018/24 dated 8th June,2018. Hence Shareholders are advised to get their physical shares transferred/dematerialised.

14. Pursuant to Section 72 of the Companies Act, 2013, members holding shares in physical form may file nomination in prescribed Form SH-13 and for Cancellation/Variation in nomination in the prescribed Form SH-14 with the Company's RTA. In respect of shares held in electronic/demat form, the nomination form may be filed with the respective Depository Participant.
15. Details under Regulation 36 (3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard 2 issued by The Institute of Company Secretaries of India in respect of Directors seeking reappointment/appointment /confirmation at the ensuing Annual General Meeting is provided in the Corporate Governance Report forming part of the Annual Report. The Directors have furnished the requisite declarations for their appointment/re-appointment.
16. The Securities Exchange Board of India (SEBI), has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their DPs with whom they are maintaining their demat accounts and members holding shares in physical form to the Company/RTA.
17. Members and Proxies thereof are requested to bring their Folio No./DP Id for identification.

ANNEXURE 1 TO THE NOTICE

Details of Directors seeking Re-appointment at the forthcoming Annual General Meeting.
Pursuant to Regulation 36 (3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

| | |
|-------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Name of Director | Mr. Rahul G. Jain (Din No: 018153781) |
| Date of Birth | 19/10/1983 |
| Date of Appointment | 12/11/2011 |
| Qualification Expertise in Specific functional areas | B.Sc. in Management Studies (Specialization - Marketing and Finance) USA. More than 12 year of experience |
| List of Companies in which outside directorship held | 1. Anil Dyechem Industries Private Limited 2. MaidenTradefin Private Limited 3. Dual Metals Private Limited 4. Metro Apptech LLP 5. Rian Chemicals Private Limited 6. Tejendra Developers Private Limited |
| Chairman/Member of the Committee of the Board of Directors | Member of Audit Committee Member of Shareholders/Investors Grievance Committee Member of Remuneration Committee Member of CSR Committee |
| Chairman /Member of the Committees of other companies in which he is Director | 1. Anil Dyechem Industries Private Limited 2. MaidenTradefin Private Limited 3. Dual Metals Private Limited 4. Metro Apptech LLP 5. Rian Chemicals Private Limited 6. Tejendra Developers Private Limited |

Registered Office :
101, 1st Floor, "Mangal Disha",
Near Guru Gangeshwar Temple,
6th Road, Khar (West),
Mumbai-400052, Maharashtra, (India)
Date : 13th August, 2018

By the Order of the Board
Sd/-
Nitin S. Shah
Company Secretary

INSTRUCTIONS FOR VOTING THROUGH E-VOTING

I. In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide Members the facility to exercise their right to vote at the 26th Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services provided by Central Depository Services (India) Limited (CDSL).

II. The instructions for members for voting electronically are as under:-
In case of members receiving e-mail:

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

| For Members holding shares in Demat Form and Physical Form | |
|-------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| PAN* | Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> · Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the last 8 digits of the demat account/ folio number in the PAN field. · In case the folio number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with folio number 100 then enter RA00000100 in the PAN field. |
| DOB# | Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format. |
| Dividend Bank Details# | Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio. <ul style="list-style-type: none"> · Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the number of shares held by you as on the cut off date in the Dividend Bank details field. |

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

- (xvi) If Demat account holder has forgotten the changed password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to www.evotingindia.com and register themselves as Corporates.
 - They should submit a scanned copy of the Registration Form bearing the stamp and sign of the entity to helpdesk.evoting@cdslindia.com.
 - After receiving the login details they have to create a user who would be able to link the account(s) which they wish to vote on.
 - The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - They should upload a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, in PDF format in the system for the scrutinizer to verify the same.

In case of members receiving the physical copy:

- (A) Please follow all steps from sl. no. (i) to sl. no. (xvi) above to cast vote.
- (B) The voting period begins on 26-09-2018 at 9.00 a.m. and ends on 28-09-2018 at 5.00 p.m. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date 22-09-2018 for cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (C) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com under help section or write an email to helpdesk.evoting@cdslindia.com.
- (D) The Company has, in compliance with Rule 20 of the (Management and Administration) Rules, 2014 appointed Mr. Jatin S. Popat of JSP Associates, Company Secretaries, Membership No: FCS-4047/CP No. 6880 of Mumbai as Scrutinizer (as consented by them to be appointed as scrutinizer) for conducting the electronic process in a fair and transparent manner.
- (E) The scrutinizer shall within a period of not exceeding three (3) working days from the conclusion of the e-voting period unlock the votes in the presence of atleast two (2) witness not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favour or against, if any forthwith to the Chairman of the Company.
- (F) The results of the voting (e-voting and physical voting) will be announced within 48 hours of the conclusion of 26th Annual General Meeting to be held on 29th September, 2018.
- (G) E-voting schedule for Shareholders:

| Sr No | E-voting Schedule | Implementation Procedure |
|-------|------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1 | Business may be transacted by electronic Voting | All Resolutions mentioned in the notice may be transacted by means of electronic voting within the time specified below. |
| 2 | The date of completion of sending the notices | The Notice dispatch will be completed 25 days prior to the date of Annual General Meeting |
| 3 | The date and time of commencement of voting through electronic means | Wednesday, the 26 th September, 2018 at 9.00 a.m. (IST) |
| 4 | The date and time of end of voting through electronic means | Friday, the 28 th September, 2018 at 5.00 p.m. (IST) |
| 5 | No voting after closing date & Time of electronic voting | E-voting shall not be allowed beyond 5.00 p.m, (IST) on 28 th September, 2018. |
| 6. | Website address on which the notice is displayed | www.evotingindia.com |
| 7. | Contact details of the Company and Share Registrar & Transfer Agents of the Company, responsible to address the grievances connected with the electronic voting; | Company: – MetroGlobal Limited Email: nitin.shah@metroglobal.in Share Registrar – M/s. Sharex Dynamic (India) Private Limited Email: :- sharexindia@vsnl.com Contact No.: (022) 2851 5606 / 2851 5644 Fax.: (022) 2851 2885 |

ANNEXURE TO THE NOTICE

Explanatory Statement pursuant to Section 102 of the Companies Act,2013 in respect of the Special Business mentioned in the Notice of 26th Annual General Meeting dated 13th August,2018.

Item No: 4

The Company had received the letter from the following entity/company falling under the category of promoters/promoter Group of the Company requesting to be reclassified from the Category of “Promoters/Promoters Group” to “Public Category”.

| Sr No | Name of the Entity/Company | No. of Equity Shares Held | % of the total Equity Capital |
|-------|-------------------------------------------|---------------------------|-------------------------------|
| 1 | Spring Trading and Investment Pvt Limited | 487666 | 2.99% |

The aforesaid entity/company is holding very insignificant shareholding which constitutes 2.99% of the total paid up capital of the Company. The aforesaid entity/company do not exercise any control over the Company and is not engaged in the management of the Company. The aforesaid entity/company neither have representation on the Board of Directors of the Company nor hold any key Management position in the Company. The Company also not entered into any Shareholders Agreement with them. Further none of the aforesaid entity/company has got any veto Rights as to voting power or control of the Company. They do not have any Special Information Rights.

The aforesaid entity/company have requested to the Company to reclassify them from being a “ Promoter Category” to “ Public Category” Shareholder of the Company.

Based on the letter received from above promoter entity/company , the matter was discussed by the Board of Director at their meeting held on 12th February,2018 and Board decided to get the above entity/company reclassified from the” Promoter Category” to “ Public Category” with the approval of stock exchanges

Regulation 31A (2) read with Regulation 31 A (7) of the Securities and Exchange Board of India (Listing Obligations and Disclosures Requirements) Regulations,2015 (Including any amendments made thereto) (hereinafter referred to as Listing Regulations”) is the main regulation which deals with reclassification of promoter shareholding in to public Shareholding. It provides that the Stock exchanges allow reclassification of the status of promoter shareholders only if the following main condition is satisfied.

- (i) Upon receipt of a request from the concerned listed entity or the concerned Shareholders.
- (ii) Upon receipt of all relevant evidence to be provided.
- (iii) On BSE being satisfied with the Compliance of conditions mentioned in Regulation 31A.

Regulation 31A (7) (any other manner) means with the consent of the entity/company wants to change reclassification.

A reclassification may also be permitted by the stock exchanges under the main Listing Regulation No, 31A (2) itself read with the additional condition specified under the Regulation 31A (7) of Listing Regulation, The sum total of conditions under the two sub regulations are as follows.

- (i) A request for reclassification is to made by the concerned listed entity or by the concerned shareholders/ to stock exchanges.
- (ii) All relevant evidence to be provided.
- (iii) Reclassified promoter shall not directly indirectly exercise control over the affair of entity/company.
- (iv) Increase in the level of public shareholding pursuant to reclassification of promoters shall not be considered towards achieving compliances with minimum public Shareholding requirement under Rule 19 A of the Securities contracts (Regulation) Rule,1975 and
- (v) The event of reclassification shall be disclosed to the Stock exchange as a material event in accordance with the provisions of Listing Regulations.

All the conditions Specified under Regulation 31A (2) and 31 A (7) of Listing Regulation have been duly complied with by the Company.

The Company’s case of reclassification of promoter is covered under Regulation 31A (2) of Listing Regulation.

None of the Directors/Key Managerial Personal of the Company /their relatives are, in any way, concerned or interested, financially or otherwise , in the Special Resolution as set out at Item No.4 of the Notice except to the extent of their Shareholding , if any, in the Company.

The Board therefore commends the Resolution no.4 for approval of the members as Special Resolution.

Item No: 5

Pursuant to the recommendation of the Nomination and Remuneration Committee, the Board of Directors in their Board Meeting held on 13th August, 2018 approved the modification of remuneration of Mr. Gautam M. Jain (DIN No: 00160167) Executive Chairman and Managing Director for the remaining period 1st October, 2018 to 11th November, 2021, subject to approval of members of the Company. The material terms and conditions as approved by the Board of Directors of the company and subject to the agreement to be executed by the Company and Mr. Gautam M. Jain (DIN No: 00160167) are as follows

- (i) The Executive Chairman and Managing Director shall continue to be subject to the supervision and control of the Board of Directors, and carry out such duties as may be entrusted to him by the Board of Directors and shall exercise such powers as are delegated to him by the Board of Directors from time to time.
- (ii) Keeping in view that Mr. Gautam M. Jain (DIN No: 00160167) has rich and varied experience in the Industry and has been involved in the operations of the Company over a long period of time, it would be in the interest of the Company to modify the remuneration of Mr. Gautam M. Jain (DIN No: 00160167) as Executive Chairman and Managing Director designated as Executive Chairman
- (iii) Mr. Gautam M. Jain (DIN No: 00160167) is a graduate in Science from Gujarat University has been at the Metro group since the inception of the Company

This explanatory statement may also be read and treated as disclosure in compliance with the requirements of Section 190 of the Companies Act, 2013.

The details of remuneration payable to Mr. Gautam M. Jain (DIN No: 00160167) and the terms and conditions of the re-appointment are given below:

- i. **Salary:** Rs. 6,00,000/— (Rupees Six Lakhs) per month which is eligible from 1st October, 2018 to November, 2021 as approved by Nomination and remuneration committee.
- ii **Perquisites:** The Executive Chairman shall be entitled to all the perquisites listed herein below in addition to the salary as mentioned above;
 - a. Housing: The Company shall provide rent free furnished residential accommodation, with free gas, electricity and water as per Company policy. In case no accommodation is provided by the Company, the Executive Chairman shall be entitled to such house rent allowance as may be decided by the Board of Directors from time to time subject however to a limit of 60% of his salary.
 - b. Medical Re-imburement: Reimbursement of medical expenses incurred, including premium paid on health insurance policies, whether in India or abroad, for self and family including hospitalisation, surgical charges, nursing charges and domiciliary charges for self and for family.
 - c. Leave Travel Concession: For self and family every year incurred in accordance with the rules of the Company applicable to its senior managers.
 - d. Foreign Travelling Expenses: For self and family incurred in the year as approved by the Nomination & Remuneration committee and Board of Directors.
 - e. Club Fees: Fees of clubs, subject to a maximum of three clubs.
 - f. Personal Accident Insurance/ Group Life Insurance: Premium not to exceed ₹ 7200 per annum.
 - g. Provident Fund/Pension : Contribution to Provident Fund and Pension Fund to the extent such contributions, either singly or put together are exempt under the Income Tax Act, 1961. Contribution to Pension Fund will be paid on basic salary and commission.
 - h. Gratuity: Gratuity payable shall be in accordance with the provisions of the Payment of Gratuity Act.
 - i. Use of Car with Driver: The Company shall provide a car with driver for business and personal use. In addition, the Company shall also reimburse running and maintenance expenses of another car owned by, or leased/ rented to, the chairman for business and personal use.
 - j. Telephone facility at residence: Telephone facility shall be provided at the residence. All personal long distance calls shall be billed by the Company to the Chairman.
 - k. Servant: Reimbursement of servant's salary, subject to a maximum of three servants.
 - l. Watchman: Reimbursement of watchman's salary, subject to a maximum of two watchmen.
 - m. Gardener: Reimbursement of gardener's salary, subject to a maximum of one gardener.
- iii The Executive Chairman & Managing Director shall be entitled to reimbursement of expenses incurred by him including use of Credit Card in connection with the business of the Company and entertaining guests of the Company.

iv Other terms and conditions:

- a. In the event of absence or inadequacy of profits in any financial year during the tenure of the Chairman, salary and perquisites subject to the limits stipulated under Schedule V read with Section 196 and 197 of the Companies Act, 2013, are payable.
- b. "Family" means the spouse and dependent children of Mr. Gautam M.Jain. (DIN No: 00160167)
- c. Leave with full pay and allowances shall be allowed as per the Company's rules.
- d. Reimbursement of entertainment expenses actually and properly incurred in the course of business of the Company shall be allowed.
- e. No sitting fees shall be paid to the Chairman for attending the meetings of the Board of Directors or Committees thereof.
- f. The Chairman shall not be liable to retire by rotation.
- g. The perquisites as listed in para (iv) above shall be valued as per the Income Tax Rules, 1962, as may be applicable.

All other existing terms and conditions for the re-appointment shall remain unchanged.

Upon approval by the members, a separate agreement to give effect to the above terms will be executed by and between the Company and Mr. Gautam M.Jain. (DIN No: 00160167)

As per the provisions of Sections 188,196,197, 203 and all other applicable provisions, if any of the Companies Act, 2013 Special Resolution is necessary for holding office as Executive Chairman & Managing Director of the Company on remuneration.

The Following are the details of interest of Directors/Key Managerial Personnel / Relative of Director/ Relative of Key Managerial Personnel:

| Sr No. | Category | Name of the Interested Director/KMP | Financial interest / Non Financial Interest |
|---------------|--------------------------------------|--------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1 | Director | Mr. Gautam M.Jain | Relates to revision of remuneration as Executive Chairman & Managing Director. He may be deemed to be concerned or interested in the business. |
| 2 | Key Managerial Personnel | Mr. Rahul G.Jain Smt. Krati R.Jain | Relates to revision of remuneration of Mr. Gautam M.Jain, relative of Key Managerial Personnel, and therefore they may be deemed to be concerned or interested in the business |
| 3 | Relative of Director | - | Relates to revision of remuneration of Mr. Gautam M.Jain, who is relative of Directors and, therefore, they may be deemed to be concerned or interested in the business |
| 4 | Relative of Key Managerial Personnel | - | - |

The Following are the information required under Section II of Part II of Schedule V of the Companies Act,2013.

| Sr No. | Particulars | Information |
|---------------|------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------|
| I | GENERAL INFORMATION | |
| 1. | Nature of Industry | Trading In Chemicals, Minerals, Plastics & Textiles and Realty Business. |
| 2. | Date or expected date of Commencement of Commercial Production | Existing |
| 3. | In case of new companies, expected date of commencement of activities as per project approved by financial Institutions appearing in the prospectus. | Not Applicable |

| | |
|------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 4. Financial performance based on given indicators | Rs.33874.88 Lacs turnover (2017-18) |
| 5. Exports performance and net foreign exchange collaborations | N.A. |
| 6. Foreign Investments or collaborations, if any | N.A. |
| II INFORMATION ABOUT THE APPOINTEE | |
| 1. Background Details | B.sc, LLB and more than 25 years of Experience |
| 2. Past remuneration | Rs.225000/- per month + perquisites |
| 3. Recognition and awards | Received many Export Awards in Dyes and Dyes Intermediates. |
| 4. Job Profile and suitability | The Management of the entire Affairs of the Company. He has more than 35 Years experience and academic background which suits to his job. |
| 5. Remuneration proposed | Rs.6,00,000/- per month + Perquisites |
| 6. Comparative remuneration profile with respect to industry, size of the Company profile of the position and person | Remuneration is commensurate with his experience and qualifications. It is lower compared to industry standard formula. |
| 7. Pecuniary relationship directly or indirectly with the company or relationship with the Managerial personnel, if any. | Mr.Gautam M.Jain is Executive Chairman & Managing Director of the Company. |
| III OTHER INFORMATION | |
| 1. Reasons of loss or inadequate profits | NA, Company is profit making company |
| 2. Steps taken or proposed to be taken for improvement. | NA |
| 3. Expected increase in productivity and profits in measurable terms | Company is profit making company. |
| IV DISCLOSURES | |
| 1. The Shareholders of the Company shall be informed of the remuneration package of the managerial person. | The Shareholders have been informed in the Notice of the 26 th Annual General Meeting of the Company. |
| 2. The Following Disclosure shall be mentioned in the Board of Directors Report under the heading Corporate Governance if any . | Necessary Disclosure have been made on the report of Corporate Governance. |
| (i) All elements of Remuneration Pacakage such as Salary, benefits, bonuses, stock options, pension etc of all the directors. | Mr. Rahul G.Jain , Executive Director is entitled to remuneration of Rs.125000/-per month. Mrs. Krati R.Jain is entitled to remuneration of Rs.50000/-per month. No other Director except above entitled for any remuneration |
| (ii) Details of fixed Component and performance linked incentives along with the performance criteria | No performance linked incentives. |
| (iii) Service contracts, notice period severance fees. | 90 days Notice |
| (iv) Stock option Details ,if any, and whether the same has been issued at a discount as well as the period over which accrued and over which exercisable. | No stock options have been offered. |

The Board of Directors recommends the resolution in relation to the Modification of remuneration of Executive Chairman and Managing Director, for the approval of the shareholders of the Company.

Except Mr. Gautam M.Jain, Mr. Rahul G.Jain & Mrs Krati R.Jain or their relatives, none of the Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise in this resolution set out at item no. 5.

Item No. 6

In terms of the Corporate Governance Guidelines of the Company and pursuant to the recommendation of the Board Governance, Nomination and Remuneration Committee the Board of Directors of the Company vide resolution passed on August 13,2018 approved modification of remuneration of Mr. Rahul G.Jain (DIN No: 01813781) as Executive Director/ Whole time Director in accordance with the provisions contained in Section 196 and 197 of the Companies Act, 2013 .

Mr.Rahul G.Jain is B.Sc. in Management Studies (Specialization - Markeing and Finance) USA. More than 12 year of experience in MetroGlobal.

Approval of the members is required by way of Ordinary Resolution for re appointment and payment of remuneration.

This explanatory statement may also be read and treated as disclosure in compliance with the requirements of Section 190 of the Companies Act, 2013.

The details of remuneration payable to Mr. Rahul G.Jain and the terms and conditions of the appointment are given below:

- i. **Salary:** Rs.5,00,000/- (Rupees Five Lakhs) per month. which is eligible from 1st October,2018 to November,2021 as approved by Nomination and remuneration committee.
- ii. **Perquisites and Benefits**
 - a. Mr. Rahul G.Jain will be eligible for a basket of various allowances / reimbursements under METROGLOBAL LIMITED POLICY like Leave Travel Allowance, Foreign Travelling expenses, House Rent Allowance, and Company leased car & accommodation, etc as per Company policy.
 - b. Furniture & Equipment Program: As per Company policy.
 - c. Leave Travel Concession: For self and family every year incurred in accordance with the rules of the Company applicable to its senior managers.
 - d. Foreign Travelling Expenses: For self and family incurred in the year as approved by the Nomination & Remuneration committee and Board of Directors
 - e. Corporate Club Fees: Fees of identified clubs as per Company policy.
 - f. Personal Accident Insurance, Group Life Insurance: Personal accident cover as per the Company policy.
 - g. Provident Fund, Pension & Survivor Benefit: Contribution to Provident Fund, Pension Fund and Survivor Benefit as per Company policy.
 - h. Gratuity: Gratuity payable shall be in accordance with the provisions of the Payment of Gratuity Act
 - i. Medical: Reimbursement of self, spouse and two dependent children as per the Company policy. In addition, Mr. Rahul G. Jain will be entitled to medical insurance and annual health check up.
- iii. The Executive Director/Whole-time Director shall be entitled to reimbursement of expenses incurred by him including use of Credit Card in connection with the business of the Company and entertaining guests of the Company.

All the above perquisites and benefits would be subject to the applicable Company policy.

Upon approval by the members, a separate agreement to give effect to the above terms will be executed by and between the Company and Mr. Rahul G.Jain.

The Following are the details of interest of Directors/Key Managerial Personnel / Relative of Director/ Relative of Key Managerial Personnel:

| Sr No. | Category | Name of the Interested Director/KMP | Financial interest / Non Financial Interest |
|--------|--------------------------------------|-----------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1. | Director | Mr. Rahul G. Jain | Relates to revision of remuneration as Whole Time Director/Executive Director. He may be deemed to be concerned or interested in the business. |
| 2. | Key Managerial Personnel | Mr. Gautam M. Jain Smt. Krati R.Jain | Relates to revision of remuneration of Mr. Rahul G.Jain, relative of Key Managerial Personnel, and therefore they may be deemed to be concerned or interested in the business |
| 3. | Relative of Director | - | Relates to revision of remuneration of Mr. Rahul G. Jain, who is relative of Directors and, therefore, they may be deemed to be concerned or interested in the business |
| 4. | Relative of Key Managerial Personnel | - | - |

The Following are the information required under Section II of Part II of Schedule V of the Companies Act,2013.

| Sr No. | Particulars | Information |
|-----------|------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| I | GENERAL INFORMATION | |
| 1. | Nature of Industry | Trading In Chemicals, Minerals, Plastics & Textiles and Realty Business. |
| 2. | Date or expected date of Commencement of Commercial Production | Existing |
| 3. | In case of new companies, expected date of commencement of activities as per project approved by financial Institutions appearing in the prospectus. | Not Applicable |
| 4. | Financial performance based on given indicators | Rs.33874.88 Lacs turnover (2017-18) |
| 5. | Exports performance and net foreign exchange collaborations | N.A. |
| 6. | Foreign Investments or collaborations, if any | N.A. |
| II | INFORMATION ABOUT THE APPOINTEE | |
| 1. | Background Details | B.Sc. in Management Studies (Specialization - Marketing and Finance) USA. More than 12 year of experience |
| 2. | Past remuneration | Rs.125000/- per month + perquisites |
| 3. | Recognition and awards | Received Best Export in Dyes and Dyes Intermediates. |
| 4. | Job Profile and suitability | The Managing of the Affairs of the Company. He has more than 10 Years experience and academic background which suits to his job.Rs.5,00,000/- per month + Perquisites |
| 5. | Remuneration proposed | Remuneration is commensurate with his experience and qualifications. It is lower compared to industry standard formula. |
| 6. | Comparative remuneration profile with respect to industry, size of the Company profile of the position and person | Mr.Rahul G. Jain is Executive Director/ Whole Time Director of the Company. |
| 7. | Pecuniary relationship directly or indirectly with the company or relationship with the Managerial personnel, if any. | |

| Sr No. | Particulars | Information |
|---------------|-------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| III | OTHER INFORMATION | |
| 1. | Reasons of loss or inadequate profits | NA, Company is profit making company |
| 2. | Steps taken or proposed to be taken for improvement. | NA |
| 3. | Expected increase in productivity and profits in measurable terms | Company is profit making company. |
| IV | DISCLOSURES | |
| 1. | The Shareholders of the Company shall be informed of the remuneration package of the managerial person. | The Shareholders have been informed in the Notice of the 26 th Annual General Meeting of the Company. |
| 2. | The Following Disclosure shall be mentioned in the Board of Directors Report under the heading Corporate Governance if any. | Necessary Disclosure have been made on the report of Corporate Governance. |
| (i) | All elements of Remuneration Pacakage such as Salary, benefits, bonuses, stock options, pension etc of all the directors. | Mr. Gautam M.Jain , Executive Chairman & Managing Director is entitled to remuneration of Rs.225000/- per month. Mrs. Krati R.Jain is entitled to remuneration of Rs.50000/-per month. No other Director except above entitled for any remuneration |
| (ii) | Details of fixed Component and performance linked incentives along with the performance criteria | No performance linked incentives. |
| (iii) | Service contracts, notice period severance fees. | 90 days Notice |
| (iv) | Stock option Details, if any, and whether the same has been issued at a discount as well as the period over which accrued and over which exercisable. | No stock options have been offered. |

The Board of Directors recommends the resolution in relation to modification in terms of remuneration to Executive Director/ Whole-time Director, for the approval of the members of the Company.

Except Mr. Rahul G.Jain, Mr. Gautam M.Jain & Mrs Krati R.Jain or their relatives, none of the Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise in this resolution set out at item no. 6.

DIRECTORS' REPORT

To,
The Members,
METROGLOBAL LIMITED
Ahmedabad.

Your Directors have pleasure in presenting herewith their 26th Annual Report on the business and operation of the Company together with the Audited Statements of Accounts of the Company for the year ended on 31st March, 2018.

FINANCIAL SUMMARY OR HIGHLIGHTS/PERFORMANCE OF THE COMPANY (STANDALONE):-

| Particulars | 2017-18 | 2016-17 |
|----------------------------------------------------------------------------------------|-----------------|----------|
| Turnover for the year | 33874.88 | 35214.81 |
| Expenditure for the year excluding Depreciation and Amortization Exp. | 31536.26 | 33300.30 |
| Profit before Depreciation, interest and Amortization Exp. | 2338.62 | 1914.51 |
| Less: Depreciation and Amortization Exp. | 18.05 | 12.55 |
| Profit or Loss after Depreciation and Amortization Exp. Interest But before Tax | 2320.57 | 1901.96 |
| Less: Current Tax | 550.00 | 400.00 |
| Profit or Loss After Tax | 1770.57 | 1501.96 |
| Comprehensive Income | 9.50 | 59.65 |
| Profit or Loss After Tax including Comprehensive Income | 1780.07 | 1561.61 |

INDIAN ACCOUNTING STANDARDS:

The Ministry of Corporate Affairs (MCA), vide its notification dated February 16, 2015, notified the Indian Accounting Standards (Ind AS) applicable to certain classes of companies. Ind AS has replaced the existing Indian GAAP prescribed under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014. Being applicable, the Company has adopted Ind AS from April 1, 2017 and accordingly, the transition was carried out, from the Indian GAAP as specified under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014 (previous GAAP) to Ind AS 101 "First time adoption of Indian Accounting Standards".

The impact of transition has been recorded in opening reserves as at April 1, 2016 and the periods presented have been restated / reclassified. The reconciliation and descriptions of the effect of the transition from Indian GAAP to Ind AS have been provided in [Note: 27 (1)] in the notes to accounts in the standalone and consolidated financial statements

DIVIDEND:-

With view to conserve the resources for the requirement of the Company the Board of Directors has not recommended any dividend on the Equity Shares for the year under review ended on 31st March, 2018.

BRIEF DESCRIPTION OF THE COMPANY'S WORKING DURING THE YEAR/STATE OF COMPANY'S AFFAIR:-

The turnover of the company for the various segments was **Rs 33874.88** lacs for the year **2017-18** as against the turnover of **Rs.35214.81** lacs during the year 2016-17.

Your Company earned net profit (including Comprehensive Income) as per Ind As-19 of **Rs.1780.07 lacs** during the year **2017-18** as against the net profit sive Income) as per Ind As-19 of **Rs. 1561.61** lacs during the year 2016-17.

The management of the company is hopeful for the better performance in the coming years.

ORDERS BY REGULATORS, COURTS OR TRIBUNALS:

ARBITRATION PROCEEDING

Metroglobal limited has filed Arbitration Proceeding against Huntsman International (India) Private Limited, Mumbai for non payment of total Consideration as per the Master Agreement.

Huntsman International (India) Private Limited, Mumbai has filed arbitration case against the Company for alleged violation of representations and warranties as per the Master Agreement. The above said arbitration proceedings are pending before Arbitration Tribunal.

SUBSIDIARY COMPANIES:-

The Company has only one subsidiary company namely METROCHEM CAPITAL TRUST LIMITED. The Annual Accounts and related documents of the Subsidiary Company shall be made available for inspection at the Registered

Office of the Company. The same will also be made available upon request by any member of the Company interested in obtaining the same.

Pursuant to provision of Section 129(3) of the Companies Act, 2013 read with Companies Account Rules 2014, a statement containing salient features of the Financial Statement of the Company Subsidiary in Form AOC 1 is attached to the Financial Statement of the Company.

PERFORMANCE AND FINANCIAL POSITION OF EACH OF THE SUBSIDIARIES, ASSOCIATES AND JOINT VENTURE COMPANIES INCLUDED IN THE CONSOLIDATED FINANCIAL STATEMENT:

The Board's report shall contain a separate section wherein a report on the performance and financial position of each of the subsidiary company included in the consolidated financial statement is presented as per Form AOC-1.

According to the Management the consolidation of Accounts of RIAN Chemicals Private Limited, Tejendra Developers Private Limited and Metro Apptech LLP have not been done as the audit of the said companies are under the process and Management is of further opinion that it is not being material as compared to the size of the Company.

REPORTS ON MANAGEMENT DISCUSSION ANALYSIS AND CORPORATE GOVERNANCE:-

As required under the listing Agreement with Stock Exchanges ("Listing Agreement"), management discussion and corporate governance report are annexed as **Annexure- 1** and **Annexure -2** respectively to this Report.

CORPORATE SOCIAL RESPONSIBILITY (CSR):-

Pursuant to the provisions of section 135 of the Companies Act, 2013 ("the Act") read with the Companies (Corporate Social Responsibility Policy) rules 2014, the Company has constituted a CSR Committee vide resolution passed by the Board dated 27/05/2014. The Board of Directors, based on the recommendations of the Committee, formulated CSR Policy encompassing Company's philosophy for describing its responsibility as a Corporate Citizen, laying down the guidelines and mechanisms for undertaking socially relevant programmes for welfare and sustainable development of the Community at large .

The amount required to be spent on CSR activities during the year under report in accordance with the provisions of Section 135 of the Act is Rs.45.15 lacs and the Company has spent Rs.49.82 lacs during the Current Financial Year. The Excess Payment of Rs.4.67 lacs is paid during the year under the report. The requisite details on CSR activities pursuant to Section 135 of the Act and attached as per annexure attached to the Companies (Corporate Social Responsibility Policy) Rules, 2014 are annexed as **Annexure-3** to this Report.

APPOINTMENT /CESSATION OF DIRECTORS OR KMP:-

In terms of section 152 and other applicable provisions, if any, of the Companies Act, 2013 ("Act") Mr.Rahul G.Jain, (Din No: 01813781) Executive Director of the Company retires by rotation and being eligible, to offer himself for reappointment.

Your Board recommends re-appointment of Mr.Rahul G. Jain, (Din No: 01813781), retiring at the forthcoming AGM of the Company in terms Section 152 of the Act, who in opinion of the Board fulfils the conditions for reappointment specified in the Act and rules made there under.

The Company has received declaration from all independent Directors of the Company to the effect that they meet criteria of Independence as stipulated u/s 149(6) of the Act and applicable regulations of LODR, 2015.

NUMBER OF MEETINGS OF THE BOARD OF DIRECTORS:-

Four meeting of the Board of Directors were held during the period under review and further details are set out in the Corporate Governance Report forming part of the Directors' Report.

AUDIT COMMITTEE:-

Four meeting of the Audit Committee were held during the period under review and further details are set out in the Corporate Governance Report forming part of the Directors' Report. The Board undertake and confirms in true spirit that the Composition of the Committee is in accordance with the provisions of Section 177(2) of Companies Act-2013 with Regulation 18 of LODR,2015.

BOARD EVALUATION:-

Pursuant to Section 134 (3) (p) and other applicable provisions, if any of the Act and Regulation 17 (10) and other applicable provisions, if any of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("LODR"), the performance of the Board and Individual Directors was evaluated by the Board seeking relevant inputs from all Directors. The Nomination and Remuneration Committee (NRC) reviewed the performance of the individual Director. A separate meeting of the Independent Directors was held to review the performance of Non-independent Directors,, performance of the Board as a whole and performance of the Chair-person of the Company.

The performance of the Board as a whole and even Directors individually was found satisfactory.

INDEPENDENT DIRECTORS' MEETING:-

The performance of the members of the Board, the Board levels Committees and the Board as a whole was evaluated at the meeting of the independent Directors of the Company. The Proper Records of the Minutes to this effect is maintained.

NOMINATION AND REMUNERATION COMMITTEE:-

Four meeting of the Nomination and Remuneration Committee were held during the period under review. The Composition of the Nomination and Remuneration Committee is in accordance with the provisions of Section 178) of Companies Act-2013 with Regulation 19 of LODR,2015.and further details are set out in the Corporate Governance Report forming part of the Directors' Report.

DETAILS OF ESTABLISHMENT OF VIGIL MECHANISM FOR DIRECTORS AND EMPLOYEES:-

Your company recognizes the value of the transparency and accountability in its administrative and management practices. Your Company has established the said Mechanism since long. According to the Provisions of Section 177(9) to be read with 177(10) the Company has established the same since long. The Company promotes the ethical behaviour in all its business activities. The Company has adopted the Whistle Blower Policy and vigil Mechanism in view to provide a mechanism for the Directors and employees of the company to approach Audit Committee of the Company to report existing /probable violation of laws, rules, regulations or unethical conduct.

EXTRACT OF THE ANNUAL RETURN:-

Extract of the Annual Return for the Financial Year ended on 31st March.2018 as required by section 92(3) of the Act is annexed as **Annexure -4** to this Report Vide Form MGT-9.

DECLARATION BY INDEPENDENT DIRECTORS:-

The following Directors are independent in terms of Section 149(6) of the Act, 2013 :

1. Shri Sandeep S. Bhandari
2. Shri Nilesh R. Desai

The company has received requisite declarations/ confirmations from all the above directors confirming their independence,

POLICY ON DIRECTORS APPOINTMENT AND REMUNERATION:-

The requisite details as required by Section 134 (3) (e), Section 178 (3) & (4) and Clause 49 of the listing Agreement are Annexed as **Annexure-5** to this Report.

LISTING FEES:-

Listing Fees for the year 2018-19 has been paid to the BSE (Stock Exchange) wherein the equity shares of the Company is listed and also paid fees to the Depositories i.e. CDSL. The Annual Fees of the NSDL will be paid on receipt of invoice.

DEPOSITS:-

During the year under review, the Company has neither invited nor accepted / renewed any deposit from the public within the meaning of section 58A & 58AA of the Companies Act, 1956 to be read with Section 73 to 76 of Companies Act, 2013 to be read with Rules framed and notified there under and rules made there under and as on March 31, 2018 the Company had no unclaimed deposits or interest thereon with all possible riders and therefore all assets including Human Capital is sufficiently insured due to any depositor.

PARTICULARS OF EMPLOYEES:-

During the year under review. no employee of the Company is employed throughout the financial year and in receipt of Rs.60 lacs or more, or employed for part of the year and in receipt of Rs.5 lakhs or more a month, under Rule 5 (2) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

INSURANCE:-

During the year all insurable interests of the Company including inventories, building, equipment and others to the extent necessary were/are adequately insured

STATUTORY AUDITORS:-

AMPAC & Associates, Chartered Accountants, Mumbai (ICAI Firm Registration FRN 112236 w, Membership No: 044062), Chartered Accountants (CAs), Mumbai were appointed as the statutory auditors of the Company at the 22nd Annual General Meeting (AGM) of the Company held on Tuesday, 30th September, 2014 have been the Auditors of

the Company since 2011 and have completed a term of 4 years. As per the provisions of section 139 of the Act, no listed company can appoint or re-appoint an audit firm as auditor for more than two terms of five consecutive years. Section 139 of the Act has also provided a period of five years from the date of commencement of the Act to comply with this requirement.

In accordance with Section 139 of the Act, Members are requested to ratify the appointment of the Auditors for the balance term to hold office the conclusion of 26th Annual General Meeting till the conclusion of the 27th Annual General Meeting of the Company to be held in the year 2018-19 (subject to ratification of their appointment at every AGM).

AUDITORS' REPORT:-

The explanations or comments by the Board on every qualification, reservation or adverse remark or disclaimer made by the auditor / secretarial auditor in his report shall be given.

There are no qualifications, reservations or adverse remarks or disclaimers made by the Auditors in their report on the Financial Statements of the Company for the Financial Year ended on 31st March, 2018.

SECRETARIAL AUDIT REPORT:-

Pursuant to Section 204 of the Act, the Secretarial Audit Report for the Financial Year ended 31st March, 2018 given by C.S. Jignesh Shah, Practising Company Secretary is annexed as **Annexure-6** to this Report.

As regards observations made in the said Secretarial Audit Report regarding excess payment on CSR activities during the year under review, explanation is given in this Directors' Report under the heading "Corporate Social Responsibility". The excess payment to be adjusted against previous year shortfall payment on CSR activities.

RISK MANAGEMENT POLICY:-

The Company has adopted a Risk Management Policy in accordance with the provision of Companies Act, 2013 and Regulation 17 (9) of LODR, 2015. It established various level of accountability and overview within the company. While vesting identified manager with responsibility for each significant risk.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186 OF THE ACT:-

Particulars of loans given and of the investments made by the Company as on 31st March, 2018 are given in the Notes forming part of the Financial Statements.

The Company also made investments in schemes of various liquid / mutual funds aggregating to Rs.6359 lacs. (The Scheme of Mutual fund is out of the Perview of Section 186 of Companies Act-2013).

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES SECTION 188 :-

The particulars of every contract or arrangements entered into by the Company with related parties referred to in subsection (1) of section 188 of the Companies Act, 2013 including certain arms length transactions under third proviso thereto are disclosed in Form AOC-2.

PARTICULARS REGARDING CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS / OUTGO:-

Additional information on conservation of energy technology absorption, foreign exchange earnings and outgo as required, to be disclosed in terms of section 134 of the Act, read with The Companies (Accounts) Rules, 2014 is annexed as **Annexure-7** to this Report.

COST AUDITORS:

As per the requirements of Section 148 of the Act, read with The Companies (Cost Records and Audit) Rules, 2014 the Cost Audit is not applicable to the Company .

INSTANCES OF FRAUD, IF REPORTED BY THE AUDITORS:-

There has been no instances of fraud reported by the Auditors under Section 143(12) of the Companies Act, 2013.

MANAGERIAL REMUNERATION:

DISCLOSURE UNDER SECTION 197 (12) AND RULE 5 (1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

The requisite details relating to ratio of remuneration, percentage increase in remuneration etc. as stipulated under the above rules are annexed as **Annexure-8** to this Report.

DIRECTORS' RESPONSIBILITY STATEMENT:-

The Directors' Responsibility Statement referred to in clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013, shall state that—

- a) in the preparation of the annual accounts for financial year ended 31st March, 2018, the applicable accounting standards have been followed;
- b) the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give true and fair view of the state of affairs of the Company at the end of the financial year and of the profit or loss of the Company for that year;
- c) the Directors have taken proper and sufficient care for the 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 fraud and other irregularities;
- d) the Directors have prepared the annual accounts for the financial year ended 31st March, 2018 on a going concern basis.
- e) The directors, in the case of a listed company, had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.
- f) The directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such system were adequate and operating effectively.

Audit of the Statement of Accounts is in accordance with Generally accepted Accounting Principles as indicated in Report of Statutory Auditors.

DETAILS IN RESPECT OF ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENTS:-

The Company has in place adequate internal financial controls with reference to financial Statements ,during the period under review, such control were tested and no reportable material weakness in the design or operation was observed.

ENVIRONMENT, HEALTH SAFETY AND SOCIAL RESPONSIBILITY:-

Your Company is committed in maintaining the highest standards of environment compliances and therefore adopted a systematic approach towards environment management by embedding a vision of being an “Injury Free” and “Zero Environment Incident” organisation. Over the past many years, your company has been progressing well in terms of reducing injury frequency rates and has improved safety records.

DISCLOSURE UNDER SEXUAL HARASSMENT OF WOMEN OF WORKPLACE (PREVENTION AND REDRESSAL) ACT, 2013:-

In line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, the Company has set up Internal Complaints Committee at its workplaces to redress complaints received regarding sexual harassment. No complaints have been reported during the financial year 2017-18. All employees (Permanent, Contractual, temporary, trainees) are covered under this policy.

ACKNOWLEDGMENT:-

Your Directors place on record their sincere thanks to the Banks, Central and State Governments for their continuous support and contribution to the company.

The Directors also express their gratitude to the Shareholders for the confidence reposed in the Management of the Company.

For and on behalf of the Board

Sd/-

Gautam M. Jain
Chairman & Managing Director
(DIN 00160167)

Place : Ahmedabad
Date : 13th August, 2018

ANNEXURE-1**MANAGEMENT DISCUSSION AND ANALYSIS REPORT****INDIAN ECONOMY**

The secret of change is to focus all your energy, not on fighting the old, but on building the new. Likewise, in past few years, there had been a lot of changes made in the Indian Economy. But we also need to change the way we look at our economy. There are a lot of things we don't measure well.

On 1st July 2017, GST came in to the picture in the Indian Economy under Prime Minister Narendra Modi's Government. GST is defined as Goods and Service Tax, which was a replacement to existing indirect taxes like excise duty, Service Tax, VAT, etc. It will be levied all over India on the supply of goods and services

GST has brought in 'one nation one tax' system, but its effect on various industries is slightly different. The first level of differentiation will come in depending on whether the industry deals with manufacturing, distributing and retailing or is providing a service.

GST is a boost competitiveness and performance in India's manufacturing sector. Declining exports and high infrastructure spending are just some of the concerns of this sector. Multiple indirect taxes had also increased the administrative costs for manufacturers and distributors and with GST in place, the compliance burden has eased and this sector will grow more strongly.

But due to GST business which was not under the tax bracket previously will now have to register. This will lead to lesser tax evasion.

The GST rates for the FMCG industry is set at 18-20%. While most are happy with the introduction of GST, the ones who are heavily affected are opposed. The financial services such as funds and insurances are most impacted. GST has a positive influence towards start-ups. It had got both advantages and disadvantages for start-ups. GST is a Inflationary measure. However, the rise in the tax rate on services to 18% is expected to raise inflation. At all stages of the supply chain there is no tax, post GST. Moreover, the availability of input credits is welcomed. Real Estate sector has mostly benefitted from the introduction of GST, as much of this sector is becoming more transparent. GST, demands businesses to set-up mechanism for meeting the requirements of GST. Therefore, once the companies adapt the requirements, the compliance costs will go down drastically. Implementation of GST is believed to be positive to the chemical industry, especially in the long term. Despite some changes under the GST regime, the textile sector benefitted with the implementation of the regime.

CONSTRUCTION SECTOR:

Infrastructure sector is a key driver for the Indian economy. The sector is highly responsible for propelling India's overall development and enjoys intense focus from Government for initiating policies that would ensure time-bound creation of world class infrastructure in the country. Infrastructure sector includes power, bridges, dams, roads and urban infrastructure development.

DYES AND INTERMEDIATES:

Indian chemical industry has been revived due to China's decision to shutter several chemical manufacturing units to rein in air pollution and protect the environment has helped Indian chemical exports grow 31.94% in 2017-18.

Realty Infrastructure**A. OPPORTUNITIES & THREATS :****Dyes & Intermediates:**

Exports of dyes and Intermediates had increased both in volume and value terms due to China's decision to shut several chemical manufacturing units to rein in air pollution and protect the environment. This trend was expected to continue for another 2-3 years. This period will be very crucial for Dyes and Intermediates Industries to encash and see that the materials reach all over the world to each and every buyer. It is a good opportunity to build confidence in buyers.

Realty Infrastructure :

2017-18 can be best defined as a landmark year for the industry as various game changing regulatory developments including Real Estate (Regulation & Development) Act (RERA), Goods & Services Tax (GST) and industry status to affordable housing, were rolled out.

Various projects under Implementation:

Ganesh Infrastructure: Your company has also become partner of “Ganesh Infrastructure” for development of land and Building at Ankleshwar. This project comprises of residential apartments, bungalows, commercial complexes & shopping malls.

DK Metro Industrial Estate : Your Company has acquired land in the industrial area of Chattral. The Industrial cum Commercial project is launched to develop an Industrial Estate comprising of commercial shops, sheds and plots under the Name of “DK Metro Industrial Estate”.

Takshashila Metro Industrial Park :

The Company has converted its Lease-hold land to Free hold land from Gujarat Industrial Development Corporation and executed sales deeds for the same. The Company has launched project to construct Industrial sheds.

My Space Infracon LLP: Your company has also become partner of “My Space Infracon LLP” who has acquired land in Ankleshwar to develop industrial plotting project.

B. SEGMENT WISE PERFORMANCE

The Company was engaged in the business of Dyes and dyes intermediates, Realty and Infrastructure and other business during the financial year under review.

Realty and Infrastructure:

Your Company has an income of Rs. 2.21 crores from the Realty and Infrastructure Segment during the year under review as against Rs. 3.90 crores during the previous year

Trading and Finance business :

The turnover of the trading and finance segment during the year under review is Rs. 325.56 Crores as against Rs.348.25 crores during the previous year.

D. RISKS MANAGEMENT

As a diversified Company, the Company has always had a system based approach to business risk management. Backed by strong internal control systems, the current risk management consists of following elements:

- The Company has clearly lay down roles and responsibilities in relation to risk management
- The Company has planned its activities and long term arrangement for supply of raw materials such as cement, steel etc to reduce the risk of instability of prices of such raw materials.
- The Company ensures that the risks it undertakes are commensurate with better returns
- In order to minimize the risks, planning and risks management is the main objective of the Company.

E. INTERNAL CONTROL SYSTEMS AND ADEQUACY

Your Company has adequate internal controls for its business across departments to ensure efficiency of operations, compliances with internal policies and applicable laws and regulations, protection of resources and assets and accurate reporting of financial transactions.

The internal control system is supplemented by extensive internal checking system, regular reviews by management and standard policies and guidelines to ensure the reliability of financial and all other records.

The Company has also appointed the Internal Auditor in line with the Provisions of Section 138 of Companies Act-2013.

F. HUMAN RESOURCES

Your Company believes that it is the employee’s skills and capabilities which will provide the necessary cutting edge to face challenges and market competition. Your Company re-emphasizing philosophy that employee well-being is extremely important, welfare activities have been given a boost. Your Company strives to maintain a professional work environment where every employee feels satisfied and appreciated.

G. CAUTIONARY STATEMENT

Certain statements in this report may be forward-looking statements. Such forward-looking statements are subject to certain risks and uncertainties like regulatory changes, local, political or economic developments, technological risks, and many other factors that could cause our actual results to differ materially from those contemplated by the relevant forward-looking statements.

ANNEXURE-2
CORPORATE GOVERNANCE REPORT
1. COMPANY PHILOSOPHY

The Company believes in corporate governance to ensure transparency, timely disclosures and independent monitoring of the functioning of the Company to enhance the value of its shareholders, the critical financial condition of the Company has forced limitations on its ability to implement practices of good governance. At Metroglobal the Code of Corporate Governance is followed in true Spirit.

A Report on compliance with the principles of Corporate Governance as prescribed by Securities and Exchange Board of India (SEBI) in Chapter IV read with Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“LODR”) (hereinafter referred to as “SEBI Regulations”) is given below:

2. BOARD OF DIRECTORS
2.1 Composition of Board

The Board has an optimum combination of Executive and Non– executive Directors, The size and composition of the Board conforms to the requirements of the Corporate Governance code under Regulation 17(1) of SEBI Regulations, 2015. The Board of Directors of the Company as at 31st March, 2018 comprises of 5 directors including woman director with 50% the Board of Directors consists of 5 directors, comprising of

| Category | No | Percentage of total number of directors |
|-------------------------|----------|-----------------------------------------|
| Executive Directors | 2 | 50% |
| Non Executive Directors | 2 | 50% |
| Woman Director | 1 | |
| Total | 5 | 100% |

The size and composition of the Board conforms to the requirements of the Corporate Governance code under Regulation 17(1) of SEBI Regulations, 2015. The Board of Directors of the Company as at 31st March, 2018 comprises of 5 directors including woman director

| Name of the Director | Designation | Category | Directorship held in other Public Limited Companies | Committee Membership of other Companies |
|------------------------|------------------------------|----------------|-----------------------------------------------------|-----------------------------------------|
| Mr. Gautam M.Jain | Chairman & Managing Director | Executive | 2 | 1 |
| Mr. Rahul G. Jain | Executive Director | Executive | Nil | Nil |
| Mr.Sandeep S. Bhandari | Independent Director | Non Executive | Nil | Nil |
| Mr. Nilesh R. Desai | Independent Director | Non Executive | 1 | Nil |
| Mrs. Krati R. Jain | Woman Director | Woman Director | Nil | Nil |

2.2 Board Procedure

During the year under review, the Board of the Company met 4 (four) times. Notices along with Agenda papers were sent to Directors in advance of each Board Meeting. The necessary information including agenda, the workings & statements containing status of various matters were placed before the Board of the Company.

Minimum four Board meetings are held in each year. Apart from the four prescheduled Board meetings, the meetings would be convened to address specific needs of the company.

2.3 Attendance of the Directors at the Board Meetings and at the last Annual General Meeting

During the Financial Year (FY) ended on 31st March, 2018, meeting of the Board of Directors was held 4 (four) times. The intervening period between two Board Meetings was well within the maximum gap of four months. The minimum information as required under Part A of Schedule II to Regulation 17 (7) of the SEBI Regulations is being made available to the board at respective board meetings.

| Name of the Director | Number of Board Meetings Held | Attended | Attended the Last AGM held on 29 th September, 2017. |
|------------------------|-------------------------------|----------|-----------------------------------------------------------------|
| Mr. Gautam M.Jain | 4 | 4 | Yes |
| Mr. Rahul G.Jain | 4 | 4 | No |
| Mr. Sandeep S.Bhandari | 4 | 4 | Yes |
| Mr. Nilesh R.Desai | 4 | 4 | Yes |
| Mrs Krati R.Jain | 4 | 4 | No |

2.4 Board Evaluation

In compliance with the Act and LODR, the Independent Directors have carried out a performance review of the Board as a whole on the following parameters and came on the following conclusion.

- (a) The size and Composition (Executive, Non –executive, Independent Directors and their background in terms of knowledge, skill & experience) of the Board is appropriate.
- (b) The Board conducts itself in such a manner so as to protect and take care of interests of all shareholders.
- (c) The Board is active in addressing matters of strategic concerns in its review.
- (d) The Board makes well informed high quality decision on the basis of full information and insights.
- (e) The Board's effective in establishing a corporate that would enable proficient and effective disclosure, fiscal accountability, high ethical standards and compliance with applicable laws and regulations.
- (f) The Board meeting time is appropriately allocated between management presentation and Board Discussion.
- (g) The Board has a good understanding of the Company's key drivers of performance and associated risks, threats and opportunities.
- (h) The Board devotes considerable amount time in developing the business strategy/and annual business plan.
- (i) The Board clearly defined the mandates of its various committees.
- (j) The Board is effective in formulating and monitoring various financial and non-financial policies and plans.
- (k) The Board is effective in developing a corporate governance structure that allows and encourages the Board to fulfil its responsibilities.
- (l) The Board pays considerable attention to the quality of financial statement, reporting controls and allied matters.
- (m) The Board gives effective advice for achieving company's mission.

The details of Board meetings held and the Directors' attendance in each meeting are given in the following table.

| Meeting Held At | Date of Board Meeting | No. of Directors Present |
|-----------------|-----------------------|--------------------------|
| Ahmedabad | 29-05-2017 | 5 |
| Ahmedabad | 14-08-2017 | 5 |
| Ahmedabad | 11-11-2017 | 5 |
| Ahmedabad | 12-02-2018 | 5 |

Brief resume summary of the directors seeking appointment / re-appointment during the year have been disclosed in the Annexure to the notice to the Annual General Meeting. The last Annual General Meeting was held on 29th September, 2017

COMMITTEES OF THE BOARD

- (1) Audit Committee
- (2) Remuneration Committee
- (3) Shareholders'/Investors' Grievance and Share Transfer Committee
- (4) CSR Committee
- (5) Independent Directors Meeting

The terms of reference of the Board Committee are determined by the Board from time to time.

3. AUDIT COMMITTEE :

3.1 Composition of Committee:

The Audit Committee of the Company is constituted in line with Regulation 18 of LODR,2015 read with 177 of the Act.

The Audit Committee comprises of two independent Directors and one Executive Director as at 31st March,2018. Mr. Sandeep S.Bhandari, Independent Director is the Chairman of the Committee All the members of the Committee posses strong accounting and financial management knowledge.

The Company's Audit Committee functions under the Chairmanship of Mr.Sandeep S.Bhandari. Four Audit Committee meeting were held on May 29,2017, August 14,2017 November 11,2017 and February 12,2018 in due compliance with the stipulated provisions, The Attendance record of the members of Audit Committee is given below.

| Name of Member | Category of Director | Status | No. of Meetings Attended |
|-------------------------|----------------------|--------|--------------------------|
| Mr. Sandeep S. Bhandari | Independent Director | Member | 4 |
| Mr. Nilesh R. Desai | Independent Director | Member | 4 |
| Mr. Rahul G. Jain | Executive Director | Member | 4 |

In addition to the above , the Committee meeting attended by CEO & Company Secretary.

The Committee acts as a link between the management, auditors and the Board and has full access to financial information.

3.3 Terms of reference

The role and terms of reference of the Audit Committee covers the matters specified under Regulation 18 and Part C of Schedule II of the LODR,2015 read with Section 177 of the Act. The Audit Committee reviews the financials Statements of of the Company and Subsidiary Company and also perform the following functions.

- To review the audit plan and Company's external Audit Report.
- To review financial Statements of the Company before their submission to the Board.
- To review company's staff support to the external auditors.
- To nominate external auditors for re-appointment.
- To review the scope and results of internal audit procedure.
- To review related party transactions.
- To generally undertake such other functions and duties as may be required by statute or by the Listing Agreement and by such other amendments made thereto from time to time.

4. NOMINATION & REMUNERATION COMMITTEE :

The role of the Nomination and Remuneration Committee is to review market practices and decide the remuneration package applicable to the Chairman & Managing Director and Whole time Director/Executive Director of the Company.

Four Nomination and Remuneration Committee meeting were held on May 29,2017, August 14,2017, November 11,2017 and February 12,2018 in due compliance with the stipulated provisions, The Attendance record of the members of Nomination and Remuneration Committee is given below.

| Name of Member | Category of Director | Status | No. of Meetings Attended |
|------------------------|----------------------|----------|--------------------------|
| Mr. Nilesh R.Desai | Independent Director | Chairman | 4 |
| Mr. Sandeep S.Bhandari | Independent Director | Member | 4 |
| Mr. Rahul G.Jain | Executive Director | Member | 4 |

4.1 Terms of reference

The role of Nomination & Remuneration Committee is to facilitate the transparency, accountability and reasonableness of the remuneration of Director and Senior Management Personnel.

The Nomination & Remuneration Committee will recommend to the Board a revision of remuneration package for Executive Chairman & Managing Director, Executive Director and Senior Management Personnel.

All aspects of remuneration, including but not limited to directors' fees, salaries, allowances and benefits- in-kind shall be covered by remuneration committee. The Nomination & Remuneration Committee Director shall abstain from voting any resolution of his remuneration package.

4.2 Remuneration policy

The Company pays remuneration to its Executive Chairman & Managing Director and Executive Director by way of Salary, perquisites and bonus. The remuneration approved by the Board.

4.3 Details of remuneration to all the Directors:

| Name of Director | Category of Director | Salary | Perquisites | Sitting fees |
|-------------------|------------------------------|-----------|-------------|--------------|
| Mr.Gautam M. Jain | Chairman & Managing Director | 847000.00 | 1853004.00 | NIL |
| Mr.Rahul G. Jain | Executive Director | 385000.00 | 1117404.00 | NIL |
| Mrs.Krati R. Jain | Woman Director | 369600.00 | 226800.00 | NIL |

5. STAKEHOLDERS / RELATIONSHIP COMMITTEE:

5.1 Composition of Committee

The role of the Stakeholders/Relationship Committee is to deal with matters relating to transfer of shares and monitor redressal of complaints from Shareholders relating to transfers, non receipt of Balance Sheet etc with a view to expediting the process of Share transfers, necessary authority has been delegated to approve the transfer of Shares.

Four Stakeholders/Relationship Committee meeting were held on May 29, 2017, August 14, 2017, November 11,2017 and February 12,2018 in due compliance with the stipulated provisions, The Attendance record of the members of Stakeholders/Relationship Committee is given below.

| Name of Member | Category of Director | Status | No. of Meetings Attended |
|-------------------------|----------------------|----------|--------------------------|
| Mr. Sandeep S. Bhandari | Independent Director | Chairman | 4 |
| Mr. Nilesh R. Desai | Independent Director | Member | 4 |
| Mr. Rahul G. Jain | Executive Director | Member | 4 |

5.2 Terms of Reference

The Current terms of reference of the Committee are as follows.

- i. To allot the equity shares of the Company.
- ii. Efficient transfer of shares, including cases for refusal of transfer/transmission of shares
- iii. Redressal of Shareholders and Investor complaints like transfer of shares, non receipt of Balance Sheet, Non receipt of declared dividend etc.
- iv. Issue of duplicate/split/consolidated Share Certificate
- v. Allotment and listing of shares.
- vi. Review cases for refusal /transmission of Shares.
- vii. Reference to Statutory and regulatory authorities regarding investor grievance.
- viii. Proper and timely attendance and redressal of investor queries and grievances.

5.3 Details of Shareholders Complaints:

| Details of Complaints received | Nos. |
|--------------------------------------------------------------------------|------|
| Number of Shareholders Complaints received from 01.04.2017 to 31.03.2018 | 10 |
| Number of Complaints resolved | 10 |
| Number of Outstanding Complaints as on 31.03.2018 | 0 |

6. CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE:

6.1 Composition of Committee

The Corporate Social Responsibility (CSR) committee consist of 3 (Three) Directors namely. Mr.Gautam M.Jain as the Chirman and Mr. Rahul G.Jain & Mr. Nilesh R.Desai as members of the Committee. Four Corporate Social Responsibility (CSR) committee meeting were held on May 29,2017, August 14,2017 November 11,2017 and February 12,2018 in due compliance with the stipulated provisions,The Attendance record of the members of the Corporate Social Responsibility (CSR) committee is given below.

| Name of Member | Category of Director | Status | No. of Meetings Attended |
|---------------------|----------------------|----------|--------------------------|
| Mr. Gautam M. Jain | Executive Director | Chairman | 4 |
| Mr. Rahul G. Jain | Executive Director | Member | 4 |
| Mr. Nilesh R. Desai | Independent Director | Member | 4 |

The Committee formulates and recommend to the Board a Corporate Social Responsibility Policy and monitor and review the same and determine implementation process/execution of CSR Policy.

Disclosure of contents of Corporate Social Responsibility as required under the Companies (Corporate Social Responsibility Policy) Rules,2014 is attached as separate annexure.

7. INDEPENDENT DIRECTOR'S MEETING:

During the year under review, the Independent Directors met on March,26,2018

- i. Evaluation of the performance of the Non-Independent Directors, the Board of Directors as a whole.
- ii. Evaluation of the performance of the Chairman & Managing Director & Whole Time of Director of the Company.
- iii. Evaluation of the quality, content and Management and the Board that is necessary for the board to effectively and reasonably perform its duties

The Details of attendance of Independent Directors are as follows.

| Name of Member | Category of Director | Status | No. of Meetings held/Attended |
|-------------------------|----------------------|--------|-------------------------------|
| Mr. Sandeep S. Bhandari | Independent Director | Member | 1 |
| Mr. Nilesh R. Desai | Independent Director | Member | 1 |

8. CODE OF CONDUCT:

The Board of Directors has laid down the Code of Conduct, applicable to all Board members and senior executives of the Company. All Board members and senior management executives have affirmed compliance with the Code of Conduct.

As required under Regulation 34 (3) read with Para D of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations,2015, I hereby confirm that all the Directors and Senior Management of the Company have affirmed compliance with Code of Conduct as applicable to them for the financial year ended on 31st March,2018.

For MetroGlobal Limited

Gautam M. Jain
Chairman & Managing Director

13-08-2018
Ahmedabad

9. DETAILS OF GENERAL BODY MEETINGS:

(i) Date, Time & Location of the last three Annual General Meetings and details

| AGM and date | Time | Location | No. of Special Resolutions passed |
|----------------------------------------------------------|------------|-----------------------------------------------------------------------------------------------------------------------|-----------------------------------|
| 25 th AGM 29 th September, 2017 | 11,30 a.m. | Conference Hall,The Oriental Residency, Next to Khar Telephone Exchange, P.D. Hinduja Marg, Khar (West), Mumbai | Nil |
| 24 th AGM 29 th September, 2016 | 11,30 a.m. | Conference Hall,The Oriental Residency, Next to Khar Telephone Exchange, P.D. Hinduja Marg, Khar (West), Mumbai | Nil |
| 23 rd AGM 30 th September, 2015 | 11,30 a.m. | Conference Hall,The Oriental Residency, Next to Khar Telephone Exchange, P.D. Hinduja Marg, Khar (West), Mumbai | 1 |

Special Resolutions Passed in the last 3 (Three) AGMs.

| Financial Year (FY) | Items |
|---------------------|--------------------------------------------------------------------------------------------------------------------------|
| 2016-2017 | 1. NIL |
| 2015-2016 | 1. NIL |
| 2014-2015 | 1. Special Resolution for Appointment of Mrs. Krati R. Jain (Din 7150442) as a Woman Director as an Additional Director. |

POSTAL BALLOT

There was no resolutions passed by postal ballot as per the provisions contained in this behalf in the Companies Act and rules made there under namely Companies (Passing of the Resolution by Postal Ballot) Rules, 2011 as amended from time to time shall be complied with whenever necessary.

10. DISCLOSURES:
(a) Related party transactions

The Company follows the following policy in regard to disclosure of the related party transactions to the Audit Committee:

- A statement in the summary form of transactions with related parties in the ordinary course of business is placed periodically before the Audit Committee.
- There are no material individual transaction with related parties, which are not in the normal course of business and material individual transaction with related parties or others which are not on arms length basis.

During the financial year 2017-18, there were no materially significant transactions entered in to between the Company and its Promoter, Directors or the Management, Subsidiaries or relatives etc. They may have potential conflict with the interest of the Company at large.

(b) Disclosure of accounting statements

The Company has followed all applicable Accounting Standards referred in section 133 of Companies Act, 2013 read with the Companies (Accounts) rules, 2014. while preparing the financial statements subject to notes thereon.

(c) Proceeds from public issues, right issues, preferential issues etc

During the year, the Company has not issued any equity shares, right issue and preferential issues as per SEBI (ICDR) guidelines, 2009.

Code for Prevention of Insider Trading Practices

The Company has instituted a comprehensive Code of Conduct for Prevention of Insider Trading for its designated employees, in compliance with Securities and Exchange Board of India (Prohibition of Insider Trading) regulation, 2015, as amended from time to time. The code lays down guidelines, which advises them on procedures to be followed and disclosures to be made, while dealing with shares of the Company and cautioning them of the consequences of violations.

(d) Management

The Management Discussion and Analysis Report has been included as a part of Directors Report to the Shareholders for the FY ended 31st March, 2018.

(e) Disclosure of Directors seeking appointment / reappointment

The details pertaining to Directors seeking appointment / reappointment are furnished as Annexure to Notice convening the Annual General Meeting.

(f) Whistle Blower Policy and affirmation that no personnel has been denied access to the audit committee

At present the Company has no whistle-blower policy. However, no personnel have been denied access to the audit committee.

(g) CEO/CFO Certification

In terms of Regulation 17 (8) of Schedule II of the LODR, CMD and the CFO of the have certified the Board regarding the Financial Statements for the year ended 31st March,2018.

(h) Auditors' Report on Corporate Governance

Certificate from the Statutory Auditors confirming compliance with the conditions of Corporate Governance, as stipulated in the relevant provisions of Securities and Exchange Board of India (LODR) regulations,2015 forms part of this report.

11. MEANS OF COMMUNICATION :

- Newspapers wherein results normally published The Company has started publishing the results in Newspaper. The Company has published the results for the quarter ended 30th June, 2017, 30th September,2017, 31st December, 2017 & 31st March, 2018 in the following newspaper :
1) The Free Press Journal
2) Navshakti
- Any Web site, where displayed The data and information relating to the Company can be accessed from the following websites :
www.metrogloballimited.com

Green Initiative for Paperless Communications: To support the “Green Initiative in the Corporate Governance” an initiative has been taken by the ministry of Corporate Affairs (MCA). The Company has sent the soft Copies of Annual Report 2016-17 to those members whose email ids were registered with the Depository Participants (DPs) .

12. GENERAL SHAREHOLDER INFORMATION :

(i) Annual General Meeting:

| | |
|-------------------------------|---------------------------------------------------------------------------------------------------------------------------|
| Day | Saturday |
| Date | 29-09-2018 |
| Time | 12.30 p.m. |
| Place | Conference Hall of The Oriental Residency, Next to Khar Telephone Exchange, P.D. Hinduja Marg, Khar (West), Mumbai-400052 |
| Last date of receipt of Proxy | 27-09-2018 |
| Posting of Annual Report | 05-09-2018 |

(ii) Financial Year:

The Financial Year of the Company is from 01April to 31st March. The Board Meeting for approval of Quarterly financial Results during the year ended 31st March, 2018 were held on the following dates:-

| Quarter Ended on | Date of Board Meeting |
|---------------------------------------------------|-----------------------|
| First Quarter Results-30-06-2017 | 14-08-2017 |
| Second Quarter and Half yearly Results 30-09-2017 | 11-11-2017 |
| Third Quarter Results 31-12-2017 | 12-02-2018 |
| Fourth Quarter Results 31-03-2018(Audited) | 29-05-2018 |

Financial Calendar 2017-18

| | |
|--------------------------------------------------------------|--------------------------------------------|
| First Quarter Results-30-06-2017 | Within 45 days from closing of the quarter |
| Second Quarter and Half yearly Results 30-09-2017 | Within 45 days from closing of the quarter |
| Third Quarter Results 31-12-2017 | Within 45 days from closing of the quarter |
| Fourth Quarter Results & Annual Results 31-03-2018 (Audited) | Within 60 days from closing of the quarter |

(iii) Dates of Book Closure :

Book Closure dates : Friday, 21st September, 2018 to Friday, 28th September, 2018 (both days inclusive).

(iv) Dividend Payment:

The Board of Directors at their meeting held on 30th May, 2018 not recommended a any dividend per equity share of the face value of Rs.10/- each for the Financial Year 2017-18.

(v) Listing details of Equity Shares:

| Name of the Stock Exchange | Stock Code |
|----------------------------------------------|-------------------|
| Bombay Stock Exchange of India Limited (BSE) | 500159 |

(vi) Stock Code:

The ISIN allotted to the Company's equity shares of face value of Rs.10/- each under the depository system is **INE085D01033**.

(vii) Stock Market Price Data:

During the year, Company's equity shares are actively traded during 2017-18 at Bombay Stock Exchange Limited, Mumbai.

Bombay Stock Exchange Limited: Metroglobal Limited (500159)

| Month | METROGLOBL Share Price | | | No.of Shares Traded during the Month | Turnover in ` |
|----------------|-------------------------------|--------------|----------------|---------------------------------------------|----------------------|
| | HighRs. | Low ` | Close ` | | |
| April-2017 | 93.70 | 82.00 | 85.60 | 98,979 | 85,27,197 |
| May-2017 | 88.90 | 69.00 | 74.90 | 58,660 | 46,47,324 |
| June-2017 | 82.20 | 66.05 | 72.00 | 37,515 | 27,95,330 |
| July-2017 | 84.95 | 68.75 | 74.85 | 31,171 | 24,08,121 |
| August-2017 | 97.50 | 72.00 | 91.35 | 80,745 | 70,09,436 |
| September-2017 | 98.00 | 83.00 | 87.90 | 1,00,021 | 90,63,778 |
| October-2017 | 90.95 | 80.00 | 85.00 | 49,090 | 41,72,602 |
| November-2017 | 88.75 | 77.00 | 81.90 | 93,860 | 77,41,809 |
| December-2017 | 89.00 | 75.10 | 82.90 | 64,913 | 53,90,290 |
| January-2018 | 110.00 | 83.00 | 92.00 | 2,32,985 | 2,27,09,566 |
| February-2018 | 98.45 | 80.00 | 86.45 | 43,292 | 38,28,243 |
| March-2018 | 85.40 | 69.60 | 76.60 | 29,888 | 23,03,812 |
| Total | | | | 9,21,119 | 8,07,97,508 |

(viii) Registrar and Share Transfer Agents:

The Company in compliance with the SEBI guidelines has appointed Sharex Dynamic (India) Pvt.Ltd. Mumbai as a common share transfer agent for Physical and Electronic form of Shareholding

For Share Transfer, Demat, & any other Communications relating to Share Certificates, Change of address, Investor Grievances etc. to be sent to

Sharex Dynamic (India) Pvt. Ltd.

Re : MetroGlobal Limited

Unit No-1, Luthara Ind. Premises, Andheri Kurla Road, Safed Pool, Andheri (E), Mumbai 400 072.

(ix) Share Transfer System:

Job of Registrar and Transfer Agents is carried out by Sharex Dynamic (India) Pvt. Ltd., Mumbai. Company's transfer and dematerialization of shares are processed by Sharex Dynamic (India) Pvt.Ltd., Mumbai. The transfer of shares in depository mode need not be approved by the Company. The Physical transfers of Shares are approved by Shareholders'/Investors' Grievance and Share Transfer Committee.

(x) Distribution of Shareholding as on 31st March, 2018:

| SHAREHOLDING OF NOMINAL VALUE OF | | SHAREHOLDERS | | SHARE AMOUNT | |
|-------------------------------------|-----|--------------|------------|--------------|------------|
| | | Number | % to Total | In | % to Total |
| (1) | (2) | (3) | (4) | (5) | |
| Upto to 5000 | | 13,255 | 96.79 | 71,81,120 | 4.40 |
| 5001-10000 | | 182 | 1.33 | 14,79,930 | 0.91 |
| 10,001 - 20,000 | | 114 | 0.83 | 16,31,020 | 1.00 |
| 20,001 - 30,000 | | 34 | 0.25 | 8,98,160 | 0.55 |
| 30,001 - 40,000 | | 18 | 0.13 | 6,42,300 | 0.39 |
| 40,001 - 50,000 | | 18 | 0.13 | 8,34,150 | 0.51 |
| 50,001 - 1,00,000 | | 30 | 0.22 | 20,79,590 | 1.27 |
| 1,00,000 and above | | 43 | 0.31 | 14,85,21,150 | 90.97 |
| TOTAL | | 13,694 | 100.00 | 16,32,67,420 | 100.00 |

Distribution of Shareholding as on 31st March, 2018

| Category | No of Shares | Percentage % |
|-----------------------------------------|--------------|--------------|
| Promoters Holding | 96,83,926 | 59.313 |
| Financial Institutions/Bank/Mutual Fund | 16,748 | 00.102 |
| Private Body Corporate | 41,18,554 | 25.226 |
| Individuals | 21,62,770 | 13.247 |
| NRI's/Clearing Member | 3,44,744 | 2.112 |
| Total | 1,63,26,742 | 100.00 |

(xi) Dematerialisation of Share and Liquidity:

| Share Capital | No of shares | Percentage % |
|----------------------------------------------------|--------------------|----------------|
| Total Capital | 1,63,26,742 | 100.00% |
| Listed Capital | 1,63,26,742 | 100.00% |
| Held in Dematerialized Form | | |
| Central Depository Services (India) Limited (CDSL) | 63,97,657 | 39.18 |
| National Securities Depository Limited (NSDL) | 95,50,867 | 58.50 |
| Held in Physical Form | 3,78,218 | 2.32 |
| Total | 1,63,26,742 | 100.00% |

(xii) Lock in details of Shares:

| Name of the Shareholder | No of Shares under Lock-in | Lock in From | Lock in upto |
|-------------------------|----------------------------|--------------|--------------|
| 1. NOT APPLICABLE | NIL | NIL | NIL |

(xiii) Registered Office & Corporate Office:
Registered Office:

101, 1st Floor, "Mangal Disha",
Near Guru Gangeswar Temple, 6th Road,
Khar (West), Mumbai-400052,
Maharashtra, (India)

Corporate Office:

5th Floor, 508-509, "SHILP" Building,
Opp: Girish Cold Drinks, C.G.Road,
Navrangpura, Ahmedabad-380009,
Gujarat, (India)

(xiv) Investor Correspondence:

All enquiries, clarification and correspondence should be addressed to the Company Secretary and Compliance Officer:-

Mr. Nitin S. Shah :

Metroglobal Limited,

808-809, "SHILP" Building, 8th Floor, Opp: Girish Cold Drinks, C.G.Road, Navrangpura. Ahmedabad-380009

Email ID: nitin.shah@metroglobal.in

12. SECRETARIAL AUDIT REPORT:

A qualified practicing Company Secretary carried out secretarial audit of the Company. The Secretarial audit report confirmed that the total issued / paid-up capital was in agreement with the aggregate of the total number of shares in physical form and the total number of dematerialized shares held with NSDL and CDSL.

13. CEO/CFO CERTIFICATION :**Managing Director (CEO) and Chief Finance Officer (CFO) Certification**

We Gautam M. Jain, Chairman & Managing Director and Nitin S Shah, Company Secretary & CFO (Finance) of Metroglobal Limited, to the best of our knowledge and belief, certify that :

1. We have reviewed the balance sheet as at 31st March 2018 and Profit & Loss account, and all its schedules and Notes on accounts, as well as the cash flow statement and the Director's Report for the year ended on that date:
2. Based on our knowledge and information, these statements do not contain any untrue statement of a material fact or omit to state a material fact or do not contain any statement that might be misleading;
3. Based on our knowledge and information, the financial statements, and other financial information included in this report, present in all material respects, a true and fair view of the Company's affairs, the financial condition, results of operations and cash flows of the Company as on , and for the year presented in this report and are in compliance with the existing accounting standards and /or applicable laws and regulations;
4. To the best of our knowledge and belief, no transaction entered into by the Company during the year are fraudulent, illegal or violative of the Company's code of conduct;
5. We are responsible for establishing and maintaining disclosure controls and procedures and internal controls over financial reporting for the Company, and we have;
 - a. evaluated the effectiveness of the Company's disclosure, controls and procedures pertaining to financial reporting;
 - b. disclosed in this report any change in the Company's internal controls over financial reporting that occurred during the Company's most recent accounting year that may have materially affected, or is reasonably likely to affect, the Company's internal control pertaining to financial reporting.
6. We have disclosed based on our most recent evaluation, wherever applicable, to the Company's auditors and the audit committee of the Company's Board of Directors;
 - a. Deficiencies in the design or operation of internal controls, which could adversely affect the Company's ability to record, process, summarize and report financial data and have identified for the Company's auditors, any material weakness in internal control over financial reporting including any corrective actions with regard to such deficiencies, if any;
 - b. Significant changes in internal controls during the year covered by this report, if any;
 - c. All significant changes in accounting policies during the year, if any and that the same have been disclosed in the notes to the financial statements;
 - d. No instances of significant fraud of which we are aware, involving management or other employees who have significant role in the Company's internal control system;
7. We further declare that all the Board Members and senior management personnel have affirmed compliance with the code of conduct during the year.

Place : Ahmedabad
Date : 13th August, 2018

Gautam M. Jain
Chairman & Managing Director
(DIN 00160167)

Nitin S. Shah
Company Secretary &
CFO (Finance)

14. UNCLAIMED DIVIDEND OF METROCHEM INDUSTRIES LIMITED (TRANSFEROR COMPANY)

Unclaimed Dividend for the year 2010-11 there was no declaration of Dividend hence No amount is required be transferred to the Investor Education and Protection Fund of Central Government during the year 2018-19. However, fractional unpaid warrants amounts will be transferred to Investor Education and Protection Fund (IEPF) during May, 2019.

Unclaimed Dividend: Under the Companies Act, 1956, dividends that are unclaimed for a period of seven years automatically get transferred to the Investor Education and Protection Fund administered by the Central Government.

Following tables give information relating to outstanding dividend accounts and dates when due for transfer to IEPF.

DATES WHEN UNCLAIMED DIVIDEND TO BE TRANSFERRED TO THE INVESTOR EDUCATION AND PROTECTION FUND (IEPF) OF CENTRAL GOVT.

| Year | Type | Date of declaration | Date of proposed transfer to IEPF of Central Government |
|---------|---------------------|---------------------|---------------------------------------------------------|
| 2012 | FRACTIONAL WARRENTS | 02-April,2012 | 01-May,2019 |
| 2011-12 | FINAL | 29-Sep-2012 | 28-Oct-2019 |

UNCLAIMED DIVIDEND AS OF 31ST MARCH, 2018

| Year | Type | Dividend Unclaimed (`) |
|---------|------------|--------------------------|
| 2012 | FRACTIONAL | 83331 |
| 2011-12 | FINAL | 419788 |

15. COMPLIANCE CERTIFICATE FROM THE AUDITORS OF THE COMPANY

Certificate from M/s AMPAC & Associates, Chartered Accountants, confirming compliance with the conditions of Corporate Governance as stipulated in the provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations,2015 is annexed to this report forming part of the Annual Report.

For and on behalf of the Board

Sd/-

Gautam M. Jain

**Chairman & Managing Director
(DIN 00160167)**

Place : Ahmedabad

Date : 13-08-2018

AUDITOR'S CERTIFICATE

To
The Members of
MetroGlobal Limited

We have examined the compliance of conditions of Corporate Governance by METROGLOBAL LIMITED for the year ended on March 31, 2018 as stipulated under part C of Schedule V read with Regulation 34(3) of SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015 ("Listing Regulation").

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination has been limited to a review of the procedures and implementations thereof adopted by the Company for ensuring the compliance with the conditions of the Corporate Governance as stipulated in the said Clause. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, and based on the representations made by the Directors and the Management, we certify that the Company complied with the conditions of Corporate Governance as stipulated part C of Schedule V read with Regulation 34(3) of SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015 ("Listing Regulation").

This Certificate is issued solely for the purpose of complying with the aforesaid regulations in may not be suitable for any other purpose.

For, M/s **AMPAC & Associates,**
CHARTERED ACCOUNTANTS
Firm Registration No.112236w

Mumbai
Date: 13-08-2018

Piyush B. Sheth
(Partner)
Membership NO: 44062

ANNEXURE-3 CSR Policy

Background:

As per the Section 135 of the Companies Act, 2013, as the net profit of the company is more than Rs.5 crore or more during any financial year. CSR Policy is applicable. So in our Company **METROGLOBAL LIMITED** on the criteria of net profit, applicability of Section 135 of the Companies Act, 2013.

It is recognized that integrating social, environmental and ethical responsibilities in to the governance of business ensures the long term success, competitiveness and sustainability, Further CSR makes a business sense as companies with effective CSR, have image of socially responsible companies, achieve sustainable growth in their operations in the long run.

Objective:

The main objective of CSR policy is to make CSR a key business process for sustainable development of the society. **METROGLOBAL LIMITED** will act as a good corporate entity and aims at supplementing the role of Government in enhancing the welfare measures of the society within the frame work of its policy.

Measures:

In the aforesaid backdrop, policy on CSR of **METROGLOBAL LIMITED** is broadly framed taking in to account the following measures:

1. The CSR activities shall be undertaken by **METROGLOBAL LIMITED** as stated in this policy, as projects or programs or activities excluding activities undertaken in pursuance of its normal course of business.
2. The CSR activities which are exclusively for the benefit of **METROGLOBAL LIMITED** employees or their family members shall not considered as CSR activity.
3. **METROGLOBAL LIMITED** shall give preference to the local area or areas around it where it operates, for spending the amount earmarked for CSR activities.
4. The Board of **METROGLOBAL LIMITED** may decide to undertake its CSR activities as recommended by the CSR committee, through a registered trust or a registered society or a company established by the company or its holding company or subsidiary company pursuant to Section 135 of the Companies Act,2013 and rules made there under.

List of Activities for CSR work :

by the Central Government from time to time. The following is the list of CSR projects or programs which **METROGLOBAL LIMITED** on selective basis plans to undertake in the phased manner of the project or one time activities pursuant to Schedule VII of the Companies Act, 2013.

- i. Eradicating hunger, poverty & malnutrition, promoting preventive health care & sanitation including contribution to the Swatch Bharat Kosh set up by the Central Government for the Promotion of sanitation & making available safe drinking water;
- ii. Promoting education, including special education & employment enhancing vocation skills especially among children, women, elderly & the differently abled & livelihood enhancement projects;
- iii. Promoting gender equality, empowering women, setting up homes & hostels for women & orphans, setting up old age homes, day care centers & such other facilities for senior citizens & measures for reducing inequalities faced by socially & economically backward groups
- iv. Ensuring environmental sustainability, ecological balance, protection of flora & fauna, animal welfare, agro forestry, conservation of natural resources & maintaining quality of soil, air & water including contribution to the Clean Ganga Fund set by the Central Government for rejuvenation of river Ganga;
- v. Protection of national heritage, art & culture including restoration of buildings & sites of historical importance & works of art; setting up public libraries; promotion & development of traditional arts & handicrafts;
- vi. Measures for the benefit of armed forces veterans, war widows & their dependents;
- vii. Training to promote rural sports, nationally recognized sports, paralytic sports & Olympic sports;
- viii. Contribution to the Prime Minister's National Relief Fund or any other fund set up by the Central Government for socio-economic development & relief & welfare of the Scheduled Castes, the Scheduled Tribes, other backward classes, minorities & women;
- ix. Contributions or funds provided to technology incubators located within academic institutions, which are approved by the Central Government;
- x. Rural development projects CSR activities shall be undertaken as projects, programs of activities (either new or ongoing) excluding activities undertaken in pursuance of the normal course of business of the Company.

xi. Slum area development

Any other measures with the approval of Board of Directors on the recommendation of CSR Committee subject to the provisions of the Section 135 of the Companies Act,2013 and rules made there under.

xii. Any other activities which covers under the broad activities as may be considered appropriate by the Board of Directors pursuant to the provisions of the Section 135 of the Companies Act,2013 and rules, regulations and clarifications as may be issued

Constitution of Corporate Social Responsibility Committee:

The Board of Directors of the Company shall constitute a Corporate Social Responsibility Committee of the Board ("CSR Committee") consisting of three or more directors, out of which at least one director shall be an independent director.

The CSR committee shall-

1. Formulate and recommend to the Board , a CSR policy and activities to be undertaken by the company as per Schedule VII;
2. Recommend the amount of expenditure to be incurred on the activities and
3. Monitor the Policy of the company from time to time.

The Board of the Company shall after taking in to account the recommendations made by the CSR committee approve the Policy of **METROGLOBAL LIMITED** and disclose contents of such policy in its report and also place it on the Company's website and ensure that the activities as are included in the CSR Policy of the Company are undertaken by the Company,

METROGLOBAL LIMITED provides the vision under the leadership of its Chairman and Managing Director Mr.Gautam M.Jain.

At the **METROGLOBAL LIMITED** Chairman and Managing Director takes on the role of the Mentor, while the onus for the successful and time bound implementation of the CSR activities is on CSR Committee.

Budgets :

1. A specific budget is allocated for CSR activities and spending on CSR activities shall not be less than 2% of the average net profits of the company made during the three immediately preceding financial years, in pursuance of this policy.
2. In case Company fails to spend such amount, the Board shall specify the reasons for not spending the amount.
3. Approving Authority for the CSR amount to be spent would be Chairman & Managing Director after due recommendation of CSR committee and approval of the Board of Directors.
4. The CSR policy mandates that the Surplus arising out of CSR projects or Programs or activities shall not form part of business profit of **METROGLOBAL LIMITED**.
5. The CSR projects or Programs or activities undertaken in India only shall amount to CSR expenditure.
6. CSR expenditure shall include all expenditure including contribution to corpus, for projects or programs relating to CSR activities approved by the Board on the recommendation of the CSR Committee, but does not include any expenditure on any item not in conformity or not in line with activities which fall within the purview of Schedule VII of the Companies Act.2013.
7. Tax treatment of CSR spent will be accordance with the Income Tax Act, as may be notified by CBDT.

Management Commitment:

Our Board of directors, Management and all of the employees subscribe to the philosophy of compassionate care. We believe and act on ethos of generosity and compassion, characterized by a willingness to build a society that works for everyone. This is the cornerstone of our CSR policy.

Update:

CSR committee of the Board of **METROGLOBAL LIMITED** will review the policy from time to time based on the changing needs and aspirations of the target beneficiaries and make suitable modifications as may be necessary.

Compliance with Companies Act, 2013

Our Corporate Social Responsibility policy confirms to section 135 of the Companies Act,2013 on Corporate Social Responsibility as spelt out by the Ministry of Corporate Affairs, Government of India.

Effective date and approval of the policy:

The aforesaid CSR policy has been approved by the CSR committee and Board of Directors which shall be effective from 1st April, 2014.

ANNEXURE-3
Corporate Social Responsibility (CSR)

[Pursuant to clause (o) of sub-section (3) of section 134 of the Act and Rule 9 of the Companies (Corporate Social Responsibility) Rules, 2014]

1. A brief outline of the Company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs.
 - i. The CSR activities shall be undertaken by **METROGLOBAL LIMITED** as stated in this policy, as projects or programs or activities excluding activities undertaken in pursuance of its normal course of business.
 - ii. The CSR activities which are exclusively for the benefit of **METROGLOBAL LIMITED** employees or their family members shall not considered as CSR activity.
 - iii. **METROGLOBAL LIMITED** shall give preference to the local area or areas around it where it operates, for spending the amount earmarked for CSR activities.
 - iv. The Board of **METROGLOBAL LIMITED** may decide to undertake its CSR activities as recommended by the CSR committee, through a registered trust or a registered society or a company established by the company or its holding company or subsidiary company pursuant to Section 135 of the Companies Act, 2013 and rules made there under.

2. The Composition of the CSR Committee.

The Board of Directors of the Company had constituted a Corporate Social Responsibility Committee of the Board ("CSR Committee") consisting of three directors.

1. Mr. Gautam M. Jain Chairman & Managing Director
2. Mr. Rahul G. Jain Executive Director
3. Mr. Nilesh R. Desai Independent Director

3. Average net profit of the company for last three financial years

| Financial Year | Net Profit ` in lacs |
|---------------------------|----------------------|
| 2014-15 | 3021.58 |
| 2015-16 | 2190.05 |
| 2016-17 | 1561.61 |
| Total | 6773.24 |
| Divided by 3 (three) | 3 |
| Average Net Profit | 2257.75 |

4. Prescribed CSR Expenditure (two per cent of the amount as in item 3 above)

Rs.45.15 lacs @ 2% of Rs.2257.75

5. Details of CSR spent during the financial year.

(a) Total amount to be spent for the financial year; Rs.49.82 lacs

(b) Amount Excess spent, if any; (+) Rs.4.67 lacs

(c) Manner in which the amount spent during the financial year is detailed below.

| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 |
|--------|----------------------|------------------------------|---------------|-------------|-----------------------------|----------------|------------------------------------------|
| Sr. No | CSR Project | Sector in Project is covered | Projects Area | Amount Rs. | Amount Spent in project Rs. | Cumulative Rs. | Implementing Agency |
| 1 | Education and Health | Education and Health | Ahmedabad | 15,00,000/- | 15,00,000/- | 15,00,000/- | Jain Jito Adm Trading Foundation |
| 2 | Rehabilitation aids | Rehabilitation aids | Ahmedabad | 18000/- | 18000/- | 18000/- | Lions Klub of Karnavati |
| 3 | Rehabilitation aids | Rehabilitation | Ahmedabad | 31000/- | 31000/- | 31000/- | Rajasthan Seva Samiti |
| 4 | Medical Aids | Medical Aids | Ahmedabad | 2850000/- | 2850000/- | 2850000/- | The Gujarat Research & Medical Institute |
| 5 | Medical Aids | Medical Aids | Ahmedabad | 1,11,111/- | 1,11,111/- | 1,11,111/- | JITO Sarvoday Foundation |
| 6 | Rehabilitation aids | Rehabilitation aids | Ahmedabad | 1,11,000/- | 1,11,000/- | 1,11,000/- | Rotary Charitable Trust |
| 7 | Medical Aids | Medical Aids | Ahmedabad | 7000/- | 7000/- | 7000/- | Bhasha Ar Sans |
| 8 | Rehabilitation aids | Rehabilitation aids | Ahmedabad | 4001/- | 4001/- | 4001/- | Avval Foundation |
| 9 | Rehabilitation aids | Rehabilitation aids | Banaskantha | 1,00,000/- | 1,00,000/- | 1,00,000/- | GCCI Silver Jubilee Charitable trust |
| 10 | Medical Aids | Medical Aids | Ahmedabad | 1,25,000/- | 1,25,000/- | 1,25,000/- | Decimal Foundation |
| 11 | Rehabilitation aids | Rehabilitation aids | Ahmedabad | 5000/- | 5000/- | 5000/- | Bengal Cultural Association |
| 12 | Education and Health | Education and Health | Ahmedabad | 1,00,000/- | 1,00,000/- | 1,00,000/- | Isha Out |
| 13 | Rehabilitation aids | Rehabilitation aids | Ahmedabad | 20,000/- | 20,000/- | 20,000/- | Hare Krishna Movement |
| Total | | | | 49,82,112/- | 49,82,112/- | 49,82,112/- | |

6. In case the Company has failed to spend the two per cent of the average net profit of the last three financial years or any part thereof, the company shall provide the reasons for not spending the amount in its Board report.

Company has excess payment of Rs.4.67 lacs, which was excess paid than the two per cent of the average net profit of the last financial years and part thereof.

The amount required to be spent on CSR activities during the year under report in accordance with the provisions of Section 135 of the Act is Rs.45.15 lacs and the Company has spent Rs.49.82 lacs during the Current Financial Year. The Excess payment of Rs.4.67 lacs is made during the year which will be adjusted against the shortfall of the previous years on CSR activities.

1. A responsibility statement of the CSR Committee that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the Company

Place : Ahmedabad
Date : 30th May, 2018

Nilesh R.Desai
(Director)

Gautam M.Jain
(Chairman CSR Committee)

AOC-2

FORM FOR DISCLOSURE OF PARTICULARS OF CONTRACTS/ARRANGEMENTS ENTERED IN TO BY THE COMPANY WITH RELATED PARTIES REFERRED TO IN SUB-SECTION (1) OF SECTION 188 OF COMPANIES ACT-2013 INCLUDING CERTAIN ARM-LENGTH TRANSACTIONS
DETAILS OF CONTRACT AND ARRAGEMENT.

| Sr. Particulars No. | Details |
|-------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| a) Name (s) of the related party & nature of relationship | Mr. Gautam M. Jain, |
| b) Nature of contracts/arrangements/transaction | - Mr. Guatam M. Jain has been paid the Rent for the Corporate Office of the Company. |
| c) Duration of the contracts/arrangements/ transaction | Rent Contract is renewed Every Year. |
| d) Salient terms of the contracts or arrangements or transaction including the value, if any | Not Applicable |
| e) Justification for entering into such contracts or arrangements or transactions' | From 1 st April 2014, the Companies Act,2013 has been implemented and made effective and as per Provisions of Section 188 of Companies Act-2013. Your Company has been using the Premises owned by Mr. Gautam M. Jain (Managing Director having DIN 0160167). The said Offices are located at the Prime Location of Ahmedabad i.e. Navrangpura, C.G. Road.The Company has been using the said Property as a Corporate Office where all the Statutory, Commercial and Administrative Functions are being performed and all the Business of the Company has been handled from the Corporate Office. As such to pay the rent to Mr. Gautam M. Jain, Owner of the Property and being Managing Director of the Company, requires your approval by way of the Special Resolution. The Board Confirms that the Rent being paid is at Prevailing Market Trend. |
| f) Date of approval by the Board | 12 th February,2016 |
| g) Amount paid as advances, if any | Not Applicable |
| h) Date on which the special resolution was passed in General meeting as required under Members Approval Obtained. first proviso to section 188 | 30/09/2014 (MGT-14 to this effect is filled) |

The Transactions are at the Arm Length Prices

2. Details of contracts or arrangements or transactions at Arm's length basis.

| Sr. Particulars No. | Details |
|----------------------------------------------------------------------------------------------|-------------------------------------|
| a) Name (s) of the related party & nature of relationship | Mr. Gautam M. Jain |
| b) Nature of contracts/arrangements/transaction | Rent Contract |
| c) Duration of the contracts/arrangements/ transaction | Rent Contract is renewed every year |
| d) Salient terms of the contracts or arrangements or transaction including the value, if any | Not Applicable |
| e) Date of approval by the Board | |
| f) Amount paid as advances, if any | Not Applicable |

Note :- The Amounts paid to the related Party are justifiable in line with their functions and Transactions are at Arm's Length Prices.

ANNEXURE-4
EXTRACT OF ANNUAL RETURN as on financial year ended on 31st MARCH,2018
Form No. MGT-9
EXTRACT OF ANNUAL RETURN
as on the financial year ended on 31-03-2018

Pursuant to Section92(3)of the Companies Act, 2013 and rule12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

| | | |
|------|------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| i) | CIN:- | L21010MH1992PLC069527 |
| ii) | Registration Date :- | 12-11-1992 |
| iii) | Name of the Company: | METROGLOBAL LIMITED |
| iv) | Category/Sub-Category of the Company: | Public Limited Company |
| v) | Address of the Registered office and : contact details | 101, 1 st Floor,"Mangal Disha", Near Guru Gangeshwar Temple, 6 th Road, Khar (West), Mumbai-400052, Maharashtra, (India) |
| vi) | Whether listed company Yes/No : | YES with BSE - Scrip Code : 500159 |
| vii) | Name, Address and Contact details of Registrar and Transfer Agent, if any | MetroGlobal Limited (CIN No: 21010MH1992PLC069527) Sharex Dynamic (India) Pvt.Ltd. Unit No-1, Luthara Ind. Premises, Andheri Kurla Road ,Safed pool, Andheri (E), Mumbai 400 072 |

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY:

| Sr. No. | Name and description of main products /services | NIC code of the product/ service | % of total turnover of the company |
|---------|-------------------------------------------------|--------------------------------------------------|------------------------------------|
| 1. | Dyes Intermediates and other products | N.A. as Company is engaged in Trading Activities | 100% |

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

| Sr. No. | Name and Address of the Company | CIN/GLN | Holding/ Subsidiary/ Associate | % of shares held | Applicable Section |
|---------|-------------------------------------|-----------------------|--------------------------------|------------------|--------------------|
| 1 | Metrochem Capital Trust Limited | L65910GJ1984PLC007181 | SUBSIDIARY | 70% | 2 (87) |
| 2 | D.K. Metro Procon Private Limited | U45201GJ2011PTC065348 | ASSOCIATE | 45% | 2 (6) |
| 3 | Dual Metals Private Limited | U27205GJ2008PTC055433 | ASSOCIATE | 45% | 2 (6) |
| 4 | Rian Chemicals Private Limited | U24100GJ2014PTC080012 | ASSOCIATE | 45% | 2 (6) |
| 5 | Tejendra Developers Private Limited | U45309GJ2017PTC097533 | SUBSIDIARY | 99.94% | 2 (87) |
| 6 | Metro Aptech LLP | AAL 3448 | SUBSIDIARY | 78% | 2 (87) |
| 7 | Myspace Infracon LLP | AAH 1918 | ASSOCIATE | 25% | 2 (6) |

IV. Shareholding Pattern

i) Category-wise Share Holding

| Category of Shareholders | No. of Shares held at the beginning of the year 1.4.2017 | | | | No. of Shares held at the end of the year 31.3.2018 | | | | % Change during the year |
|------------------------------------------------------------------------------------|----------------------------------------------------------|----------|---------|-------------------|-----------------------------------------------------|----------|---------|-------------------|--------------------------|
| | Demat | Physical | Total | % of Total Shares | Demat | Physical | Total | % of Total Shares | |
| A. PROMOTER'S | | | | | | | | | |
| (1) INDIAN | | | | | | | | | |
| (a) individual | 1233677 | 0 | 1233677 | 7.556 | 1233677 | 0 | 1233677 | 7.556 | 0 |
| (b) Central Govt. | | | | | | | | | |
| (c) State Govt(s). | 0 | 0 | 0 | | 0 | 0 | 0 | | 0 |
| (d) Bodies Corpp. | 8450249 | 0 | 8450249 | 51.757 | 8450249 | 0 | 8450249 | 51.757 | 0 |
| (e) FIINS / BANKS. | 0 | 0 | 0 | | 0 | 0 | 0 | | 0 |
| (f) Any Other | | 0 | | | | 0 | | | 0 |
| Sub-total (A) (1):- | 9683926 | 0 | 9683926 | 59.313 | 9683926 | 0 | 9683926 | 59.313 | 0 |
| (2) FOREIGN | | | | | | | | | |
| (a) Individual NRI / For Ind | 0 | 0 | 0 | | 0 | 0 | 0 | | 0 |
| (b) Other Individual | | | | | | | | | |
| (c) Bodies Corporates | 0 | 0 | 0 | | 0 | 0 | 0 | | 0 |
| (d) Banks / FI | 0 | 0 | 0 | | 0 | 0 | 0 | | 0 |
| (e) Qualified Foreign Investor | 0 | 0 | 0 | | 0 | 0 | 0 | | 0 |
| (f) Any Other Specify | 0 | 0 | 0 | | 0 | 0 | 0 | | 0 |
| Sub-total (A) (2):- | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Total shareholding of Promoter (A) = (A)(1)+(A)(2) | 9683926 | 0 | 9683926 | 59.313 | 9683926 | 0 | 9683926 | 59.313 | 0 |
| (B) PUBLIC SHAREHOLDING | | | | | | | | | |
| (a) Mutual Funds | 55 | 413 | 468 | 0.003 | 55 | 413 | 468 | 0.003 | 0.000 |
| (b) Banks / FI | 10680 | 106 | 10786 | 0.066 | 7600 | 106 | 7706 | 0.047 | -0.019 |
| (c) Central Govt. | 732 | 0 | 732 | 0.004 | 732 | 0 | 732 | 0.004 | 0.00 |
| (d) State Govt. | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| (e) Venture Capital Funds | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| (f) Insurance Companies | 6800 | 0 | 6800 | 0.042 | 6700 | 0 | 6700 | 0.041 | -0.001 |
| (g) FIs | 0 | | | 0 | 1142 | 1142 | 0.007 | 0.007 | |
| (h) Foreign Venture Capital Funds | 0 | 0 | 0 | | 0 | 0 | 0 | | 0 |
| (i) Others (specify) | 0 | 0 | 0 | | 0 | 0 | 0 | | 0 |
| Sub-total (B)(1):- | 18267 | 519 | 18786 | 0.115 | 15087 | 1661 | 16748 | 0.102 | -0.013 |
| 2. Non-Institutions | | | | | | | | | |
| (a) BODIES CORP. | | | | | | | | | |
| (i) Indian | 4171431 | 15908 | 4187339 | 25.647 | 4103788 | 14766 | 4118554 | 25.226 | -0.421 |
| (ii) Overseas | | | | | | | | | |
| (b) Individuals | | | | | | | | | |
| (i) Individual shareholders holding nominal share capital upto Rs. 1 lakh | 1026248 | 362129 | 1388377 | 8.504 | 1040514 | 347417 | 1387931 | 8.501 | -0.003 |
| (ii) Individual shareholders holding nominal share capital in excess of Rs. 1 lakh | 731168 | 0 | 731168 | 4.478 | 774839 | 0 | 774839 | 4.746 | 0.268 |

| | | | | | | | | | |
|----------------------------------------------|----------|--------|----------|--------|----------|--------|----------|--------|-------|
| (c) Other (specify) | | | | | | | | | |
| Non Resident Indians | 283697 | 182 | 283879 | 1.739 | 288971 | 182 | 289153 | 1.771 | 0.032 |
| Overseas Corporate Bodies | 0 | 14192 | 14192 | 0.087 | 0 | 14192 | 14192 | 0.087 | 0 |
| Foreign Nationals | | 0 | | | | 0 | | | 0 |
| Clearing Members | 19075 | 0 | 19075 | 0.117 | 41399 | 0 | 41399 | 0.254 | 0.137 |
| Trusts | | 0 | | | | 0 | | | 0 |
| Foreign Boodies - D R | | 0 | | | | 0 | | | 0 |
| Sub-total (B)(2):- | 6231619 | 392411 | 6624030 | 40.572 | 6249511 | 376557 | 6626068 | 40.585 | 0.013 |
| Total Public Shareholding (B)=(B)(1)+ (B)(2) | 6249886 | 392930 | 6642816 | 40.687 | 6264598 | 378218 | 6642816 | 40.687 | 0 |
| C. Shares held by Custodian for GDRs & ADRs | | | | | | | | | 0.00 |
| Grand Total (A+B+C) | 15933812 | 392930 | 16326742 | 100.00 | 15948524 | 378218 | 16326742 | 100.00 | 0 |

(ii) Shareholding of Promoters

| Sr. No. | Shareholder's Name | Shareholding at the beginning of the year 1.4.2017 | | | Share holding at the end of the year 31.3.2018 | | | % change in share holding during the year |
|---------|---------------------------------------|----------------------------------------------------|----------------------------------|--------------------------------------------------|------------------------------------------------|----------------------------------|--------------------------------------------------|-------------------------------------------|
| | | No. of Shares | % of total Shares of the company | % of Shares Pledged / encumbered to total shares | No. of Shares | % of total Shares of the company | % of Shares Pledged / encumbered to total shares | |
| 1 | Maiden Tradefin Pvt Ltd | 2889284 | 17.697 | 0 | 4525251 | 27.717 | 0 | 10.02 |
| 2 | Anil Dyechem Industries P L | 2871176 | 17.586 | 0 | 2871176 | 17.586 | 0 | 0 |
| 3 | Gautamkumar Mithalal Jain | 1025413 | 6.281 | 0 | 1061959 | 6.504 | 0 | 0.223 |
| 4* | Search Invatrade Pvt Ltd | 984360 | 6.029 | 0 | 0 | 0 | 0 | -6.029 |
| 5 | Amaze Trading and Investment Pvt Ltd | 566156 | 3.468 | 0 | 566156 | 3.468 | 0 | 0 |
| 6 | Spring Trading and Investment Pvt Ltd | 487666 | 2.987 | 0 | 487666 | 2.987 | 0 | 0 |
| 7* | Sparkling Tradefin Pvt. Ltd. | 236800 | 1.45 | 0 | 0 | 0 | 0 | -1.45 |
| 8* | Progressive Invatrade Pvt Ltd | 209391 | 1.283 | 0 | 0 | 0 | 0 | -1.283 |
| 9* | Charm Trading and Investment Pvt Ltd | 125416 | 0.768 | 0 | 0 | 0 | 0 | -0.768 |
| 10 | Rahul Gautamkumar Jain | 74818 | 0.458 | 0 | 74818 | 0.458 | 0 | 0 |
| 11 | Ritu G. Jain | 64000 | 0.392 | 0 | 64000 | 0.392 | 0 | 0 |
| 12* | Minerva Dyechem Industries Pvt Ltd | 55200 | 0.338 | 0 | 0 | 0 | 0 | -0.338 |
| 13 | Bhavna Gautamkumar Jain | 36546 | 0.224 | 0 | 0 | 0 | 0 | -0.224 |
| 14 | Gautamkumar Mithalal HUF | 32900 | 0.202 | 0 | 32900 | 0.202 | 0 | 0 |
| 15* | Bloom Investment and Trading Pvt Ltd | 24800 | 0.152 | 0 | 0 | 0 | 0 | -0.152 |

* Sr. No. 4, 7, 8, 9, 12 & 15 above said Private Limited Companies merged with the Maiden Tradefin Private Limited as per Scheme of Amalgamation approved by Hon'ble Gujarat High Court.

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

| Sl No. | Shareholder's Name | Shareholding at the beginning of the year 01/04/2017 | | Date | Increasing / Decreasing in shareholding | Reason | Share holding at the end of the Year 31/03/2018 | |
|--------|--------------------------------------|----------------------------------------------------------------------------|----------------------------------|-------------|-----------------------------------------|--------|-------------------------------------------------|----------------------------------|
| | | No. of Shares at the beginning (01-04-2017) / end of the year (31-03-2018) | % of total Shares of the company | | | | No. of Shares | % of total Shares of the company |
| 1 | Maiden Tradefin Pvt. Ltd. | 2889284 | 17.697 | 01-04-2017 | | | | |
| | | | | *30-06-2017 | 261600 | Buy | 3150884 | 19.299 |
| | | | | *07-07-2017 | 1248951 | Buy | 4399835 | 26.949 |
| | | | | *19-01-2018 | 125416 | Buy | 4525251 | 27.717 |
| | -Closing Balance | | | 31-03-2018 | | | 4525251 | 27.717 |
| 2 | Gautamkumar M. Jain | 1025413 | 6.281 | 01-04-2017 | | | | |
| | -Closing Balance | | | 31-03-2018 | 36546 | Buy | 1061959 | 6.504 |
| 3 | Search Invatrade Pvt Ltd | 984360 | 6.029 | 01-04-2017 | | | | |
| | | | | 07-07-2017 | -984360 | Sold | 0 | 0 |
| | -Closing Balance | | | 31-03-2018 | | | 0 | 0 |
| 4 | Sparkling Tradefin Pvt Ltd | 236800 | 1.45 | 01-04-2017 | | | | |
| | | | | 30-06-2017 | -236800 | Sold | 0 | 0 |
| | -Closing Balance | | | 31-03-2018 | | | 0 | 0 |
| 5 | Progressive Invatrade Pvt Ltd | 209391 | 1.283 | 01-04-2017 | | | | |
| | | | | 07-07-2017 | -209391 | Sold | 0 | 0 |
| | -Closing Balance | | | 31-03-2018 | | | 0 | 0 |
| 6 | Charm Trading and Investment Pvt Ltd | 125416 | 0.768 | 01-04-2017 | | | | |
| | | | | 18-01-2018 | -125416 | Sold | 0 | 0 |
| | -Closing Balance | | | 31-03-2018 | | | 0 | 0 |
| 7 | Minerva Dyechem Industries Pvt Ltd | 55200 | 0.338 | 01-04-2017 | | | | |
| | | | | 07-07-2017 | -55200 | Sold | 0 | 0 |
| | -Closing Balance | | | 31-03-2018 | | | 0 | 0 |
| 8 | Bhavna G Jain | 36546 | 0.224 | 01-04-2017 | | | | |
| | -Closing Balance | | | 31-03-2018 | -36546 | Sold | 0 | 0 |
| 9 | Bloom Investment and Trading Pvt Ltd | 24800 | 0.152 | 01-04-2017 | | | | |
| | | | | 30-06-2017 | -24800 | Sold | 0 | 0 |
| | -Closing Balance | | | 31-03-2018 | | | 0 | 0 |

* Maiden Tradefin Private Limited acquired shares of Private Limited Companies as per Scheme of Amalgamation approved by Hon'ble Gujarat High Court.

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

| SI No. | Shareholder's Name | Shareholding at the beginning of the year 01/04/2017 | | Date | Increasing / Decreasing in share-holding | Reason | Share holding at the end of the Year 31/03/2018 | |
|--------|------------------------------------------|----------------------------------------------------------------------------|----------------------------------|------------|------------------------------------------|-----------|-------------------------------------------------|----------------------------------|
| | | No. of Shares at the beginning (01-04-2017) / end of the year (31-03-2018) | % of total Shares of the company | | | | No. of Shares | % of total Shares of the company |
| 1 | Megha Biotech Pvt. Ltd. | 2705667 | 16.572 | 31-03-2017 | | | | |
| | -Closing Balance | | | 31-03-2018 | | No Change | 2705667 | 16.572 |
| 2 | Worship Trading and Investment Pvt. Ltd. | 626736 | 3.839 | 31-03-2017 | | | | |
| | -Closing Balance | | | 31-03-2018 | | No Change | 626736 | 3.839 |
| 3 | Navkar Synthchem Pvt. Ltd. | 566500 | 3.47 | 31-03-2017 | | | | |
| | | | | 3-11-2017 | -6673 | Sold | 559827 | 3.429 |
| | | | | 10-11-2017 | -16458 | Sold | 543369 | 3.328 |
| | | | | 17-11-2017 | -7857 | Sold | 535512 | 3.28 |
| | -Closing Balance | | | 31-03-2018 | | | 535512 | 3.28 |
| 4 | Alankar Mahendra Lodha | 276000 | 1.69 | 31-03-2017 | | | | |
| | -Closing Balance | | | 31-03-2018 | | No Change | 276000 | 1.69 |
| 5 | Baroda Brokers Pvt. Ltd. | 141980 | 0.87 | 31-03-2017 | | | | |
| | -Closing Balance | | | 31-03-2018 | | No Change | 141980 | 0.87 |
| 6 | SUBRAMANIAN P | 127638 | 0.782 | 31-03-2017 | | | | |
| | -Closing Balance | | | 31-03-2018 | | | 127638 | 0.782 |
| 7 | Sandip V. Parikh | 69680 | 0.427 | 31-03-2017 | | | | |
| | -Closing Balance | | | 31-03-2018 | | No Change | 69680 | 0.427 |
| 8 | Javerilal G. Oswal | 56781 | 0.348 | 01-04-2017 | | | | |
| | -Closing Balance | | | 31-03-2018 | | No Change | 56781 | 0.348 |
| 9 | Suhani M. Shah | 52700 | 0.323 | 01-04-2017 | | | | |
| | | | | 05-01-2018 | -3330 | Sold | 49370 | 0.302 |
| | -Closing Balance | | | 31-03-2018 | | | 49370 | 0.302 |
| 10 | Misaal M Shah | 51967 | 0.318 | 01-04-2017 | | | | |
| | | | | 27-10-2017 | -3500 | Sold | 48467 | 0.297 |
| | | | | 16-02-2018 | -2370 | Sold | 46097 | 0.282 |
| | -Closing Balance | | | 31-03-2018 | | | 46097 | 0.282 |

(v) Shareholding of Directors and Key Managerial Personnel:

| SI No. | Name of the Director/ Key Managerial Personnel | Shareholding at the beginning of the year | | Change in the shareholding | | Share holding at the end of the Year | |
|--------|------------------------------------------------|-------------------------------------------|----------------------------------|----------------------------|----------|--------------------------------------|----------------------------------|
| | | No. of Shares | % of total Shares of the company | Increase | Decrease | No. of Shares | % of total Shares of the company |
| 1. | Gautam Mithalal Jain | 10,25,413 | 19.143 | NIL | NIL | 10,61,959 | 6.504 |
| 2. | Rahul Gautam Jain | 74,818 | 0.458 | NIL | NIL | 74,818 | 0.458 |
| 3. | Sandeep Sarbatmal Bhandari | 800 | 0.000 | NIL | NIL | 800 | 0.000 |
| 4. | Nilesh R.Desai | 100 | 0.000 | NIL | NIL | 100 | 0.000 |
| 5. | Sunil Jayatilal Desai | 200 | 0.000 | NIL | NIL | 200 | 0.000 |
| 6. | Nitinkumar Shantilal Shah | 1 | 0.000 | NIL | NIL | 1 | 0.000 |

V. INDEBTEDNESS

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

(` in Lacs)

| | Secured Loans Excluding Deposits | Unsecured Loans | Deposits | Total Indebtedness |
|------------------------------------------------------------|----------------------------------------|--------------------|----------|-----------------------|
| Indebtedness at the beginning of the financial year | | | | |
| i) Principal Amount | 3470.26 | 2822.59 | - | 6292.85 |
| ii) Interest due but not paid | - | - | - | - |
| iii) Interest accrued but not due | - | - | - | - |
| Total (i+ii+iii) | 3470.26 | 2822.59 | - | 6292.85 |
| Change in Indebtedness during the financial year | | | | |
| · Addition | - | 1335.82 | - | 1335.82 |
| · Reduction | (805.57) | - | - | (805.57) |
| Net Change | (805.57) | 1335.82 | - | 530.25 |
| Indebtedness at the end of the financial year | | | | |
| i) Principal Amount | 2664.69 | 4158.41 | - | 6823.10 |
| ii) Interest due but not paid | - | - | - | - |
| iii) Interest accrued but not due | - | - | - | - |
| Total (i+ii+iii) | 2664.69 | 4158.41 | - | 6823.10 |

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL
A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

| Sl. no. | Particulars of Remuneration | Name of the CMD / WT Director/Women Director | | | Amount |
|---------|-------------------------------------------------------------------------------------|----------------------------------------------|------------------|-------------------------|---------|
| | | Mr. Gautam M.Jain | Mr. Rahul G.Jain | Mrs.Krati Total R. Jain | |
| 1 | Gross salary | | | | |
| | (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 | 847000 | 385000 | 369600 | 1601600 |
| | (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 | 1853004 | 1117000 | 264400 | 3239404 |
| | (c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961 | - | - | - | - |
| 2 | Stock Option | - | - | - | - |
| 3 | Sweat Equity | - | - | - | - |
| 4 | Commission | - | - | - | - |
| | - as % of profit | | | | |
| | - others, specify... | | | | |
| 5 | Others, please specify | - | - | - | - |
| | Total (A) | 2700004 | 1502000 | 634000 | 4841004 |
| | Ceiling as per the Act | | | | |

B. Remuneration to other directors:

| Sl. no. | Particulars of Remuneration | Name of Directors Manager | Total Amount |
|---------|------------------------------------------------|---------------------------|--------------|
| 1. | Independent Directors | | |
| | • Fee for attending board / committee meetings | - | - |
| | • Commission | - | - |
| | • Others, please specify | - | - |
| | Total (1) | - | - |
| 2. | Other Non-Executive Directors | | |
| | • Fee for attending board / committee meetings | - | - |
| | • Commission | - | - |
| | • Others, please specify | - | - |
| | Total (2) | - | - |
| | Total (B)=(1+2) | - | - |
| | Total Managerial Remuneration | - | - |
| | Overall Ceiling as per the Act | - | - |

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

| Particulars of Remuneration | Key Managerial Personnel | | Total |
|-------------------------------------------------------------------------------------|----------------------------------------------|--|----------|
| | Mr. Nitin S. Shah CFO & Company Secretary | | |
| 1 Gross salary | 3,60,000 | | 3,60,000 |
| (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 | | | |
| (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 | 3,06,660 | | 3,06,660 |
| (c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961 | | | |
| 2 Stock Option | - | | - |
| 3 Sweat Equity | - | | - |
| 4 Commission | - | | - |
| - as % of profit | | | |
| - others, specify... | | | |
| Others, please specify | - | | - |
| Total | 6,66,660 | | 6,66,660 |

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

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

ANNEXURE-5**POLICY ON DIRECTORS APPOINTMENT AND REMUNERATION****REMUNERATION POLICY**

In accordance with the provisions of section 178 (3) of the Companies Act, 2013, the Nomination and Remuneration Committee recommended the following remuneration policy relating to the remuneration for the Directors, Key Managerial Personnel and other employees, which was approved and adopted by the Board.

I. PREAMBLE

This remuneration policy is formulated in compliance with section 178 of the Companies Act, 2013 and SEBI (Listing Obligations & disclosure Requirements) regulations, 2015 as amended from time to time. This policy has formulated by the Nomination and Remuneration Committee (NRC) and has been approved by the Board of Directors based on recommendation of Nomination and Remuneration Committee (NRC).

II. OBJECTIVE

The Objective of the policy is to ensure that:

- (i) The level of composition of remuneration is reasonable.
- (ii) Relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
- (iii) Remuneration to the Directors, Key Managerial Personnel and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals.

III. COMPLIANCE WITH APPLICABLE LAWS

The procedure and limits for payment of remuneration under this policy shall be in accordance with provisions of

- (a) Companies Act, 2013
- (b) Provisions of SEBI (Listing Obligations & disclosure Requirements) regulations, 2015
- (c) Articles of Association of the Company and
- (d) Any other applicable law or regulations.

In the absence of any of the above provisions, the procedure and limits governed by the prevailing HR policy of the Company.

IV. REMUNERATION TO NON –EXECUTIVE DIRECTORS

Sitting fees within the limits prescribed under the Companies Act, 2013 and rules framed there under for attending meeting of board and committees thereof.

V. REMUNERATION TO KEY MANAGERIAL PERSONNEL AND SENIOR MANAGEMENT

Remuneration to , Key Managerial Personnel and senior management involves balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company and its goals.

VI. REMUNERATION TO OTHER EMPLOYEES**Components**

Basic Salary, Allowances, Retirement benefits , such other perquisites and/or incentives and/or bonus and/or Variable incentive pay based on the factors as above, as may be decided by the management from time to time as per HR policy.

CRITERIA FOR REMUNERATION OF PERSONS FOR APPOINTMENT AS DIRECTORS AND IN SENIOR MANAGEMENT

In accordance with the provisions of section 178 (3) of the Companies Act, 2013 read with Provisions of SEBI (Listing Obligations & disclosure Requirements) regulations, 2015, the Nomination and Remuneration Committee is required to formulate the criteria for determining qualifications , positive attributes and independence of Director. The Criteria adopted by the Nomination and Remuneration Committee for the aforesaid purpose are as under.

Qualifications:

- (a) He/She should possess appropriate skills, experience and knowledge in more fields of finance, law, management, sales, marketing, administration, research, taxation, corporate governance, technical operations or other disciplines related to the company's business.
- (b) Such qualification as may be prescribed under the Companies Act, 2013 read with Provisions of SEBI (Listing Obligations & disclosure Requirements) regulations, 2015.

ANNEXURE-6**Form No. MR-3****SECRETARIAL AUDIT REPORT**

FOR THE FINANCIAL YEAR ENDED ON 31/03/2018

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

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED ON 31/03/2018

To,
The Members,
Metroglobal Limited

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

Based on my/our verification of the **METROGLOBAL LIMITED** books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I/We hereby report that in my/our opinion, the company has, during the audit period covering the financial year ended on 31/03/2018 mostly/largely complied with the statutory provisions listed hereunder and also that the Company has by enlarge and in general proper Board-processes and compliance- mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I/we have examined the books, papers, minute books, forms and returns filed and other records maintained by **METROGLOBAL LIMITED** ("the Company") for the financial year ended on **31/03/2018** according to the provisions of:

- I. The Companies Act, 2013 (the Act) and the rules made there under;
- II. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- III. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- IV. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; (The Company does not have ECB)
- V. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; (See our Observations)
 - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992; and The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 notified with effect from May 15, 2015;
 - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;(Not applicable to the Company during the Audit Period)
 - d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; (**Not Applicable to the Company as no shares are issued to the Employees and no change in the Share Capital**);
 - e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; (**Not applicable to the Company during the Audit Period**)
 - f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; (**Not applicable to the Company during the Audit Period**) and
 - h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; (**Not applicable to the Company during the Audit Period**)
 - i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 notified with effect from December 1, 2015.

VI. (other laws as may be applicable specifically to the company) as per **ANNEXURE I**

I/WE HAVE ALSO EXAMINED COMPLIANCE WITH THE APPLICABLE CLAUSES OF THE FOLLOWING:

- a. Secretarial Standards issued by The Institute of Company Secretaries of India (Which is notified w.e.f. 1st July 2015)*.
- b. The Listing Agreements entered into by the Company with Bombay Stock Exchange(s) as per revised norms till date,

During the period under review the Company has generally complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to the following observations:

I/we further report that

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

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

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

I/we further report that there are by enlarge adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

CS Jignesh A. Shah
Company Secretary

PLACE : AHMEDABAD
Date : 12/08/2018

M. No ACS 21389
COP No. 12140

Annexure I

Looking to the Business Model in which Company Operates Following Laws are applicable to the Company.

- Labour Laws Like P.F, Gratuity, ESIC, Payment of Bonus Act
- Prevention of Sexual Abuse.
- Taxation Laws
- Gujarat VAT Act (Now GST)
- Gujarat Money Lenders Act (Company has obtained the License under this act as a "Sahukar")
- Gujarat and Maharashtra Stamp Act
- Indian Stamp Act
- Laws of Registration
- Negotiable Instrument Act
- Law Relation to Transfer of Property
- Indian Registration Act
- Shops and Establishment Act
- Professional Tax
- Indian Contract Act
- RERA (Along with Rules framed by Government of Gujarat)

*As per Information obtained The Secretarial Standards as issued by The Institute of Company Secretaries of India made applicable with effect from 1st July 2015.

**The Company has 2 Executive Directors and 2 Non-Executive Directors and 1 Woman Executive Director. In Our opinion and explanation received from the Company the Company is in search of the Suitable Candidate for Independent Director.

** Shri Guatunkumar Jain have been re-appointed as a Managing Director for a Period of 5 years and Shri Rahul Jain have been appointed as an Executive Whole Time Director for a Period of 5 years and the Board Resolution to this effect dated 12/08/2016 has been informed vide form MGT-14 pursuant to section 117 and Form MR-1 Confirming his 5 year term has been registered with Office of Registrar of Companies-Mumbai.

CS Jignesh A. Shah
Company Secretary

PLACE : AHMEDABAD
Date : 12/08/2018

M. No ACS 21389
COP No. 12140

Annexure II

To,
The Members
Metroglobal Limited

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

- Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
- We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
- We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
- Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
- The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
- The Secretarial Audit report is neither an assurance as to future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

CS Jignesh A. Shah
Company Secretary

PLACE : AHMEDABAD
Date : 12/08/2018

M. No ACS 21389
COP No. 12140

Annexure III**Our Specific Observations and Remarks**

- 1) The Company is in to the Business of Real Estate Financing. The Company has advanced loan to Various Real Estate Players and Charge to this effect is registered with Honourable Sub-Registrar and with Office of Registrar of Companies-Mumbai/Gujarat (Where ever applicable).
- 2) The Projects (Real Estate) of the Companies are RERA registered.
- 3) There has been no Manufacturing Process of any Commodities and hence the compliance of Factories Law is not applicable.
- 4) The Business of the Company is that of trading and Financing activities.
- 5) U/s 180 the Company has renewed various credit facilities with the Bank and Charge to this effect is registered in favour of State Bank of India/HDFC BANK/KOTAK MAHINDRA BANK.
- 6) The Borrowing is found well within the permission so sought from the Share Holders as per the explanation and letter of sanction of SBI AND KOTAK MAHINDRA BANK AND HDFC BANK presented before us.
- 7) The Unpaid Dividend has been transferred to the Investors protections and Education Fund.
- 8) As per the Opinion of the KMP the Assets of the Company are sufficiently well insured.
- 9) For the Payment of Gratuity, the Company has created a Gratuity Trust and the Insurance Policy to this effect is obtained.
- 10) According to the Information given to us the Company has been in search of a Candidate for the Appointment of Non-Executive Director.
- 11) As per SEBI on line Complaint management, Company is registered with SEBI- Scores Complaint as per User ID No. G00102.
- 12) Company has also opt for go green initiative and accordingly the Notices and Balance Sheets are sent to concerned share holders whose Email IDs are registered with the Registrar and Share Transfer Agents.
- 13) The Company has approved the uniform listing Agreement with BSE and same is executed on 12th Feb.2016.
- 14) There has been a Promoter inter-se transfer and the Company has submitted the discloser under Regulation 29(2) of SEBI SAST-2011. (The Change in Share Holding has been informed to the Bombay Stock Exchange as well as ROC vide form MGT-10) in the Financial Year 2017. The said information is given for better reference.
- 15) METROCHEM CAPITAL TRUST LIMITED the Ahmedabad Stock Exchange Listed Company was transferred to the dissemination Board but as on the even date of report the same is out of dissemination Board. The Voluntary delisting procedure has been initiated by the Management.
- 16) During the Year under the Review the Company has made a disclosure to BSE under the Regulation 10(6) Report to Stock Exchange in respect of Acquisition made in Reliance upon exemption provided for in Regulation 10 of SEBI SAST-2011 and the acquirer was Anil Dyechem Industries Private Limited (Year 2017).
- 17) For Different Announcement in the newspaper as per listing agreement and LODR the Company has published in Navshakti and Free press General.
- 18) On our test check the Balance Sheet and Annual Return of the Company for the year 2016-17 is available on the portal of www.mca.gov.in.
- 19) Till date under the Income Tax Act-1961 and under VAT Act, All due assessment orders have been received and disputed liabilities are as shown in the Financial Statements in Notes to Accounts.
- 20) The Regular Assessments under Income Tax Act-1961 and State VAT laws are going on. We are unable to comment on the liability if any to be arrised at.
- 21) There has been a website of the Company as on even date of report under maintenances.
- 22) The Company has its registered office at the City of Mumbai while administrative office is at Ahmedabad where Books of Accounts are being kept. (we have verified the Master data available on the Portal of MCA)
- 23) On visit of the website www.bseindia.com we have found out the share holding pattern AS WELL AS Compliance of Corporate Governance of the respective quarter.
- 24) The Company has till date not received any Notice for default from SEBI or BSE.

- 25) Looking to the Ledger of Insurance Expenses as produced before us and according to the opinion of KMP all assets of the Company are sufficiently insured.
- 26) We have taken in to the consideration, the circular dated 18th March, 2015.
- 27) This time the Balance Sheet is as per INDAS.
- 28) According to the Management the consolidation of Accounts of DK Metro Procon Private Limited, RIAN Chemicals Private Limited and Metro Apptech LLP have not been done as the audit of the said companies are under the process and Management is of further opinion that it is not being material as compared to the size of the Company.
- 29) There has been no operation in RIAN CHEMICALS PRIVATE LIMITED based on the Balance Sheet as on 31/03/2016 and 31/03/2017 produced before us. It is the subsidiary (WOS) of the Company.
- 30) According to the Information given to us there has been no penalty or fine imposed by SEBI or ROC.
- 31) The Directors of the Company have not been disqualified u/s 164 of Companies Act-2013.

Emphasis on Matters

- 32) Company has filled compliant before Honourable Court for Negotiable Instruments u/s 138 of NI Act at Ahmedabad, Gujarat for Cheque bouncing matters and in the Court of Mumbai against Elder Pharmaceuticals Limited.
 - The Company has also filled the winding up petition against Elder Pharmaceuticals Limited before Honourable High Court of Mumbai (Company Petition Number 303/2015)
 - The Company has also initiated the summary suit for recovery against Monarch Engineers and u/s 138 of NI Act.
 - The Company has initiated the Proceedings against Shukan Construction Private Limited u/s 420 of IPC.
 - The Company has initiated the proceedings against Anil Limited u/s 138 of NI Act.
 - The Company has put up the claim of recovery in the matter of Anil Limited before NCLT.
 - The Company has initiated the proceedings against Monarch Engineers
 - An arbitration proceeding with Huntsman Group is going on and there are counter claims by Metroglobal Limited. The said thing is sufficiently disclosed in the notes to accounts as a contingent liability.
 - The Company has transferred till date the unclaimed amount of dividend to Investors protection and education fund as per the Ledger placed before us.
 - There has been a Shortfall of amount of utilization in the CSR as per Section 135 of Companies Act-2013 of previous years and the same has been disclosed in the Directors report.

CS Jignesh A. Shah
Company Secretary

PLACE : AHMEDABAD
Date : 12/08/2018

M. No ACS 21389
COP No. 12140

ANNEXURE - 7

Additional information on conservation of energy, technology absorption, foreign exchange earnings and outgo as required, to be disclosed in terms of section 134 of the Act, read with The Companies (Accounts) Rules.

A. CONSERVATION OF ENERGY

The Company is not in manufacturing segment.

From A : Not Applicable

B. TECHNOLOGY ABSORPTION

Form B : Not Applicable

C. FOREIGN EXCHANGE EARNINGS AND OUTGO:

| | (` Lacs) | |
|-------------------------|----------------|----------------|
| | 2017-18 | 2016-17 |
| Outgo | | |
| Traded Goods | 189.58 | 2179.88 |
| Foreign Travel Expenses | 28.65 | 5.69 |

FORM 'A'

Power and Fuel Consumption and Form 'B' Research and Development (R&D) is not applicable to the Company as Company has not manufacturing activities during the year under review.

ANNEXURE-8
PARTICULARS REGARDING EMPLOYEES REMUNERATION

| SR.NO. | REQUIRMENTS | DISCLOSURE |
|--------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| I | The ratio of remuneration of each director to the median remuneration of the employees for the financial year. | Mr. Gautam M. Jain : 24.3% Mr. Rahul G. Jain : 13.52% Mrs. Krati R. Jain : 5.71% |
| II | The percentage increase in remuneration of each Director, CFO, CEO, CS in the financial year | Mr. Gautam M. Jain (CEO) : NIL Mr. Nitin S. Shah (CS) : NIL |
| III | The percentage increase in the median remuneration of the employees in the financial year. | The median remuneration of the employees in FY 2017 was increased by 5% |
| IV | The number of permanent employees on the rolls of the Company | 20 as on March 31, 2018 |
| V | The explanation on the relationship between average increase in remuneration and Company performance | Factors considered for increase in remuneration: - Performance of the company - The bench mark study in the industry - Regulatory provision |
| VI | Comparison of the remuneration of the Key Managerial Personnel against the performance of the Company. | Variable compensation is an integral part of the total pay package and is based on an individual performance rating |
| VII | Variation in the market capitalization of the company, price earnings ratio as at the closing date of the current FY and previous FY and percentage increase over decrease in the market quotations of the shares of the company in comparison to the rate at which the company came out with the last public offer. | As per the Company's policy of rewarding the employees, including Key managerial personnel, the increase in remuneration and variable pay is based on an individual performance rating and bench mark study is also factored. |
| VIII | Average percentile increase already made in the salaries of the employees other than the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration | The Market Capitalization of the Company as at March 31, 2018 was ` 125.06 Crores as compared to ` 139.59 Crores as at March 31, 2017. The earning per share of the Company was ` 10.90 as at March 31, 2018 which was ` 9.56 as at March 31, 2017. |
| IX | Comparison of the each remuneration of the Key Managerial personnel against the performance of the Company | The average percentile increase in the remuneration of employees compared to increase in remuneration of Key Managerial Personnel is in line with bench mark study and the performance of the company over a period of time. There is no exceptional increase in the managerial remuneration |
| X | The key parameters for any variable component of remuneration availed by the director | Remuneration of Key Managerial personnel is in line with the bench mark study and performance of the Company |
| XI | The ratio of the remuneration of the highest paid director to that of the employee who are not directors but received remuneration in excess of the highest paid director during the year | Depends on the performance parameters set for Key Managerial Personnel as approved by the Nomination and remuneration committee of the Board |
| XII | Affirmation that the remuneration is as per the remuneration policy of the company. | None of the employee was drawing remuneration in excess of the highest paid director during the year and hence no comments are offered. |

Note:

We confirm there was no employee drawing remuneration in excess of the limits prescribed under sub rule (2) of clause 5 of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

INDEPENDENT AUDITOR'S REPORT**The Members of
MetroGlobal Limited****REPORT ON THE STANDALONE IND AS FINANCIAL STATEMENTS**

1. We have audited the accompanying standalone Ind AS financial statements of Metroglobal Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2018, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended and notes to the financial statements including and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Ind AS financial statements

2. 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 Ind AS financial statements that give a true and fair view of the state of affairs (financial position), profit or loss (financial performance including other comprehensive income), cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities, selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone Ind AS financial statements, that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

3. Our responsibility is to express an opinion on these standalone Ind AS financial statements based on our audit.
4. We have taken into account the provisions of the Act and the Rules made thereunder including the accounting standards, auditing standards and matters which are required to be included in the audit report.
5. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those Standards and pronouncements require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether these Standalone Ind AS financial statements are free from material misstatement.
6. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view, in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the company has in place an adequate internal financial control system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.
7. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone Ind AS financial statements.

Opinion

8. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone Ind AS 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 including the Ind AS specified under Section 133 of the Act, of the state of affairs (financial position) of the Company as at 31st March, 2018, its profit (financial performance including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

Other Matter

The Company had prepared separate sets of statutory financial statements for the year ended 31st March, 2017 and 31st March, 2016 in accordance with the Accounting Standards prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended). These financial statements have been adjusted for the differences in the accounting principles adopted by the Company on transition to Ind AS.

Our opinion is not modified in respect of this matter.

Report on Other Legal and Regulatory Requirements

9. As required by 'the Companies (Auditor's Report) Order, 2016', issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act (hereinafter referred to as the "Order"), a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable .
10. 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 (including Other Comprehensive Income) and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - (d) In our opinion, the aforesaid standalone Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - (e) On the basis of the written representations received from the directors as on March 31, 2018 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2018 from being appointed as a director in terms of Section 164 (2) of the Act.
 - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in Annexure A.
 - (g) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our knowledge and belief and according to the information and explanations given to us:
 - i. The Company does not have any pending litigation which would impact its financial position;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There has been no delay in transferring the amount, required to be transferred, to the Investor Education and Protection Fund by the Company.

For AMPAC & ASSOCIATES
Chartered Accountants

Mumbai
May 30, 2018

Piyush B. Sheth
(Partner)
Membership No.: 044062
FRN: 112236W

ANNEXURE "B" TO Independent Auditors' Report:

Referred to in paragraph 1 of the Independent Auditors' Report of even date to the members of MetroGlobal Limited on the standalone Ind AS financial statements for the year ended March 31, 2018.

- i.
 - (a) The Company is maintaining proper records showing full particulars, including quantitative details and situation, of fixed assets.
 - (b) The fixed assets are physically verified by the Management during the year and there is regular programme of verification which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets and no material discrepancies have been noticed on such verification.
 - (c) The title deeds of immovable properties are held in the name of the company.

-
- ii. (a) The inventory has been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable.
- (b) The procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.
- (c) On the basis of our examination of the records of the inventory, we are of the opinion that the company is maintaining proper records of inventory. The discrepancies noticed on verification between the physical stocks and books records were not material.
- iii. According to the information and explanation given to us and the records produced to us for our verification, the Company has not granted loans to any body corporate or other parties covered in the register maintained under section 189 of the Companies Act, 2013 (the Act). Accordingly the provisions of paragraph 3 (iii) (a) & (iii) (b) of the Order are not applicable.
- iv. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Section 185 and 186 of the Companies Act, 2013 in respect of the loans and investments made, and guarantees and security provided by it.
- v. The Company has not accepted any deposits from the public and hence the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 2015 with regard to the deposits accepted from the public are not applicable.
- vi. We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules 2014 prescribed by the Central Government under section 148(1) of the Companies Act, 2013 in respect of the Company's products/ services to which said rules are made applicable and are of the opinion that prima facie the prescribed cost records have been made and maintained. However, we have not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- vii. (a) According to the records of the Company, the company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, income tax, sales tax, value added tax, wealth tax, custom duty, excise duty, service tax cess and other statutory dues applicable to it.
- (b) According to the information and explanations given to us, no undisputed amounts payable in respect of income tax, wealth tax, sales tax, value added tax, wealth tax, custom duty and excise duty were outstanding, as at 31st March, 2018 for a period of more than six months from the date they became payable.
- (c) According to the records of the company, there are no dues of sales tax, income tax, customs duty, wealth tax, value added tax, service tax, excise duty and cess which have not been deposited on account of any dispute.
- viii. According to the records of the Company examined by us and the information and explanation given to us, the Company has not defaulted in repayment of dues to banks. The Company has not taken any term loan either from financial institutions or from the government and has not issued any debentures.
- ix. Based upon the audit procedures performed and the information and explanations given by the management, the company has not raised money by way of initial public offer or further public offer including debt instruments and term loans. Accordingly, the provisions of clause 3 (ix) of the Order are not applicable to the Company.
- x. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such case by the Management.
- xi. The Company has paid/ provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.
- xii. As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it, the provisions of Clause 3(xii) of the Order are not applicable to the Company.
- xiii. The Company has entered into transactions with related parties in compliance with the provisions of Sections 177 and 188 of the Act. The details of such related party transactions have been disclosed in the financial statements as required under Accounting Standard (AS) 18, Related Party Disclosures specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

- xiv. Based on the audit procedures performed and the information and explanations given to by the management, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of clause 3 (xiv) of the Order are not applicable to the Company.
- xv. The Company has not entered into any non cash transactions with its directors or persons connected with him. Accordingly, the provisions of Clause 3(xv) of the Order are not applicable to the Company.
- xvi. The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the provisions of Clause 3(xvi) of the Order are not applicable to the Company.

Mumbai
May 30, 2018

For AMPAC & ASSOCIATES
Chartered Accountants

Piyush B. Sheth
(Partner)

Membership No.: 044062
FRN: 112236W

ANNEXURE A TO Independent Auditor's Report of even date on the Standalone Ind AS financial statements of METROGLOBAL LIMITED**Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

1. We have audited the internal financial controls over financial reporting of Metroglobal Limited ("the Company") as of March 31, 2018 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

3. Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing deemed to be prescribed under section 143(10) of the Act 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 ICAI. 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.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

6. 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 unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

7. Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may

become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

8. In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2018, 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.

Mumbai
May 30,2018

For AMPAC & ASSOCIATES

Chartered Accountants

Piyush B. Sheth

(Partner)

Membership No.: 044062

FRN: 112236W

BALANCE SHEET AS AT MARCH 31, 2018

| | | in Lacs | | |
|--------------------------------------|------|---------------------------|---------------------------|--------------------------|
| | Note | As at 31st March, 2018 | As at 31st March, 2017 | As at 1st April, 2016 |
| ASSETS | | | | |
| Non-Current assets | | | | |
| (a) Property, plant & equipment | 2 | 4,574.28 | 1,003.00 | 886.00 |
| (b) Capital Work-in-Progress | 3 | 1,724.15 | 1,517.31 | 1,423.09 |
| (c) Financial Assets | | | | |
| (i) Investments | 4 | 1,680.87 | 1,895.81 | 1,554.36 |
| (ii) Other Financial Assets | 4 | 15.84 | 15.84 | 19.08 |
| (d) Other Non-current assets | 5 | 5,772.25 | 7,102.52 | 7,637.46 |
| Total Non-Current assets | | 13,767.39 | 11,534.48 | 11,519.99 |
| Current assets | | | | |
| (a) Inventories | 6 | 1,828.99 | 1,500.05 | 1,079.31 |
| (b) Financial Assets | | | | |
| (i) Trade receivables | 7 | 6,465.46 | 4,126.59 | 10,035.59 |
| (ii) Cash and cash equivalents | 8 | 71.85 | 269.19 | 96.87 |
| (iii) Other bank balances | 9 | 7,338.61 | 5,143.74 | 5,134.23 |
| (c) Other Current assets | 10 | 14,081.43 | 14,913.15 | 12,902.73 |
| Total Current assets | | 29,786.34 | 25,952.72 | 29,248.73 |
| Total Assets | | 43,553.73 | 37,487.20 | 40,768.72 |
| EQUITY AND LIABILITIES | | | | |
| Equity | | | | |
| (a) Equity Share capital | 11 | 1,632.67 | 1,632.67 | 1,632.67 |
| (b) Other Equity | 11 | 30,738.64 | 25,843.95 | 24,282.34 |
| Total Equity | | 32,371.31 | 27,476.62 | 25,915.01 |
| Liabilities | | | | |
| Non-Current liabilities | | | | |
| Financial Liabilities | | | | |
| (i) Borrowings | 12 | 3,035.03 | 3,130.88 | 5,224.61 |
| (ii) Deferred tax liabilities (Net) | 13 | 46.07 | 46.07 | 46.07 |
| Total non-current liabilities | | 3,081.10 | 3,176.95 | 5,270.68 |
| Current Liabilities | | | | |
| (a) Financial Liabilities | | | | |
| (i) Borrowings | 14 | 3,788.07 | 4,120.85 | 1,147.11 |
| (ii) Trade payables | 15 | 3,914.84 | 2,379.27 | 8,131.99 |
| (iii) Other Financial Liabilities | 16 | 373.72 | 246.68 | 232.68 |
| (b) Other Current liabilities | 17 | 13.52 | 74.62 | 59.35 |
| (C) Provisions | 18 | 11.17 | 12.21 | 11.90 |
| Total current liabilities | | 8,101.32 | 6,833.63 | 9,583.03 |
| Total Equity and Liabilities | | 43,553.73 | 37,487.20 | 40,768.72 |

See accompanying notes to the financial statements 1

The accompanying notes are an integral part of the financial statements

As per our report of even date
For AMPAC & ASSOCIATES,
Chartered Accountants

Piyush B. Sheth
Partner
Membership No.: 44062
FRN : 112236W

Ahmedabad
May 30, 2018

Nitin S. Shah
Company Secretary

For & on behalf of the Board

Gautam M. Jain Chairman & Managing Director
(DIN No: 00160167)

Sandeep S. Bhandari Director
(DIN No: 01379445)

Rahul G. Jain Executive Director
(DIN No:01813781)

Ahmedabad
May 30, 2018

STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31st MARCH, 2018

| | Note No | For the year ended 31st March, 2018 ` in Lacs | For the year ended 31st March, 2017 ` in Lacs |
|-----------------------------------------------------------------------------|---------|--------------------------------------------------------|--------------------------------------------------------|
| I. Revenue from operations | 19 | 32,776.94 | 35,059.95 |
| II. Other Income | 20 | 1,097.94 | 154.86 |
| III. Total Revenue (I +II) | | 33,874.88 | 35,214.81 |
| IV. Expenses: | | | |
| Purchase of Stock-in-Trade | | 30,807.32 | 32,975.62 |
| (Increase)/Decrease in Finished goods, Work In Progress & Stock in Trade | 21 | (328.93) | (295.59) |
| Employee benefit expense | 22 | 111.53 | 113.21 |
| Financial costs | 23 | 154.35 | 118.26 |
| Depreciation and amortization expense | | 18.05 | 12.55 |
| Other expenses | 24 | 791.99 | 388.80 |
| IV. Total Expenses | | 31,554.31 | 33,312.85 |
| V. Profit/(Loss) before tax | | 2,320.57 | 1,901.96 |
| VI. Tax expense: | | | |
| (1) Current tax | | 550.00 | 400.00 |
| | | 550.00 | 400.00 |
| VII. Profit/(Loss) after Tax | (V-VI) | 1,770.57 | 1,501.96 |
| Other Comprehensive Income /-loss (Net of Tax) | | | |
| i) Re-measurement of net defined benefit liability (net off tax) | | (2.80) | (1.15) |
| ii) Equity instruments through other comprehensive income (net off tax) | | 12.30 | 60.80 |
| VIII Total Comprehensive Income | | 1,780.07 | 1,561.61 |
| IX Earning per equity share: | | | |
| (1) Basic | | 10.90 | 9.56 |
| (2) Diluted | | 10.90 | 9.56 |

Significant accounting policies

1

The accompanying notes are an integral part of the financial statements

As per our report of even date
For AMPAC & ASSOCIATES,
Chartered Accountants

Piyush B. Sheth
Partner
Membership No.: 44062
FRN : 112236W

Ahmedabad
May 30, 2018

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Gautam M. Jain Chairman & Managing Director
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(DIN No: 01379445)

Rahul G. Jain Executive Director
(DIN No:01813781)

Ahmedabad
May 30, 2018

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2018

| | Year Ended March 31, 2018 (` in lacs) | Year Ended March 31, 2017 (` in lacs) |
|----------------------------------------------------|---------------------------------------------|---------------------------------------------|
| A. CASH FLOW FROM OPERATING ACTIVITIES | | |
| Net profit before taxation and extraordinary items | 2,320.57 | 1,901.96 |
| Add: Non-cash & Non-operating Expenses: | | |
| Depreciation | 18.05 | 12.55 |
| Amortization Expenses | 5.06 | 6.41 |
| Loss on Sale of Fixed Assets (Net) | 6.99 | - |
| Interest expenses | 154.35 | 118.26 |
| | 184.45 | 137.22 |
| Less:- Non Operating Income | | |
| Profit on Sale of Investments (Net) | - 1,056.15 | - 84.60 |
| Dividend Income | - 28.06 | - 3.64 |
| | - 1,084.21 | - 88.24 |
| Cash flow before Change in Working capital | 1,420.81 | 1,950.94 |
| Change in Working Capital | | |
| Current assets: | | |
| Increase in Inventory | - 328.94 | - 420.74 |
| Increase in Trade Receivables | - 2,338.87 | 5,909.00 |
| Decrease in other Current Assets | 831.72 | - 2,288.50 |
| Decrease in other non-current Assets | 1,335.42 | 512.78 |
| | - 500.67 | 3,712.54 |
| Current liabilities: | | |
| Decrease in Short term borrowings | - 332.78 | 2,973.74 |
| Increase in trades Payables | 1,535.57 | - 5,752.72 |
| Increase in Other Financial Liability | 126.34 | 14.00 |
| Decrease in other Current liabilities | - 61.10 | 15.27 |
| Decrease in Short term provision | - 1.04 | 0.31 |
| | 1,266.99 | - 2,749.40 |
| Cash flow before tax paid | 2,187.13 | 2,914.08 |
| Less: Tax paid | 550.00 | 43.28 |
| Cash flow Before extra-ordinary items | 1,637.13 | 2,870.80 |
| Add:- Cash flow from Extraordinary Items | - | - |
| Cash flow from Operating Activities (A) | 1,637.13 | 2,870.80 |
| (B) Cash flow from investing activities: | | |
| Dividend Income | 28.06 | 3.64 |
| Decrease in Investments | 1,271.09 | - 256.85 |
| Increase in Capital Work in Progress | - 206.84 | - 94.22 |
| Purchase of fixed assets | - 494.77 | - 129.55 |
| Sale of Fixed Assets | 13.06 | - |
| | 610.60 | - 476.98 |
| Cash flow from Investing Activities (B) | 610.60 | - 476.98 |
| (C) Cash flow from financing activities: | | |
| Decrease in long-term borrowings | - 95.85 | - 2,093.73 |
| Interest paid | - 154.35 | - 118.26 |
| | - 250.20 | - 2,211.99 |
| Cash flow from Financing Activities (C) | - 250.20 | - 2,211.99 |
| Total Cash Flow (A+B+C) | 1,997.53 | 181.83 |
| Add: Opening cash and cash equivalents | 5,412.93 | 5,231.10 |
| Closing Cash & Cash Equivalents | 7,410.46 | 5,412.93 |

The accompanying notes are an integral part of the financial statements

As per our report of even date
For AMPAC & ASSOCIATES,
Chartered Accountants

Piyush B. Sheth
Partner
Membership No.: 44062
FRN : 112236W

Ahmedabad
May 30, 2018

Nitin S. Shah
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For & on behalf of the Board

Gautam M. Jain Chairman & Managing Director
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Sandeep S. Bhandari Director
(DIN No: 01379445)

Rahul G. Jain Executive Director
(DIN No:01813781)

Ahmedabad
May 30, 2018

NOTE NO. 1 : SHARE CAPITAL

a)

| Particulars | As at 31st March 2018 | | As at 31st March 2017 | | As at 1st April 2016 | |
|-----------------------------------------------------------------------------------------------------------------------------------------------|-----------------------|----------------------|-----------------------|----------------------|----------------------|----------------------|
| | Number | Rs. | Number | Rs. | Number | Rs. |
| Authorized | | | | | | |
| Equity Shares of Rs. 10/- each Cumulative/Non-Cumulative, Redeemable, Convertible/Non-convertible Preference Shares of Rs. 10/- each | 95,000,000 | 950,000,000 | 95,000,000 | 950,000,000 | 95,000,000 | 950,000,000 |
| | 25,000,000 | 250,000,000 | 25,000,000 | 250,000,000 | 25,000,000 | 250,000,000 |
| | 120,000,000 | 1,200,000,000 | 120,000,000 | 1,200,000,000 | 120,000,000 | 1,200,000,000 |
| Issued, Subscribed & Paid - up | | | | | | |
| Equity Shares of Rs. 10/- each | 16,326,742 | 163,267,420 | 16,326,742 | 163,267,420 | 16,326,742 | 163,267,420 |
| TOTAL | 16,326,742 | 163,267,420 | 16,326,742 | 163,267,420 | 16,326,742 | 163,267,420 |

b) **Rights of Equity Shareholders**

The Company has only one class of Equity Shares having par value of Rs.10.each, holder of equity shares is entitled to one vote per share.

c) **Reconciliation of numbers of equity shares**

| | | | | | | |
|-------------------------------------------------|-------------------|--------------------|-------------------|--------------------|-------------------|--------------------|
| Shares outstanding at the beginning of the year | 16,326,742 | 163,267,420 | 16,326,742 | 163,267,420 | 16,326,742 | 163,267,420 |
| Shares issued during the year | - | - | - | - | - | - |
| Shares bought back during the year | - | - | - | - | - | - |
| Shares outstanding at the end of the year | 16,326,742 | 163,267,420 | 16,326,742 | 163,267,420 | 16,326,742 | 163,267,420 |

d) In the preceding five years, the Company had not bought back, issued shares for consideration other than cash and bonus shares.

e) **Details of members holding equity shares more than 5%**

| Name of Shareholder | As at 31st March 2018 | | As at 31st March 2017 | | As at 1st April 2016 | |
|---------------------------------|-----------------------|--------------|-----------------------|--------------|----------------------|--------------|
| | No. of Shares held | % of Holding | No. of Shares held | % of Holding | No. of Shares held | % of Holding |
| Gautam kumar Mithalal Jain | 1,061,959.00 | 6.50 | 1,025,413.00 | 6.28 | 3,125,413.00 | 19.14 |
| Maiden Tradefin Pvt Ltd | 4,525,251.00 | 27.72 | 4,525,251.00 | 27.72 | 1,678,052.00 | 10.28 |
| Search Invatrade Pvt Ltd | - | - | - | - | 984,360.00 | 6.03 |
| Anil Dyechem Industries Pvt Ltd | 2,871,176.00 | 17.59 | 2,871,176.00 | 17.59 | 1,771,176.00 | 10.85 |
| Megha Biotech Pvt Ltd | 2,705,667.00 | 16.57 | 2,705,667.00 | 16.57 | 2,705,667.00 | 16.57 |

Significant Accounting Policies and other Explanatory Information to the Standalone Financial Statements for the Financial Year ended 31st March, 2018**Note 1****1.1 Corporate Information**

Metroglobal Limited is a public limited company domiciled in India and earlier incorporated under the provisions of Companies Act, 1956 now governed by Companies Act 2013. Its Shares are listed and traded on BSE. Company is in the business of trading of speciality chemicals, dye intermediates, solvents, basic chemicals & mineral ore, textile fabric, Plastic granules etc.

1.2 SIGNIFICANT ACCOUNTING POLICIES**Statement of Compliance with Ind AS.**

The Standalone Financial Statements of the Company are prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 and the Companies (Indian Accounting Standards) (Amendment) Rules, 2016 notified under Section 133 of the Companies Act, 2013 (the "Act") and other relevant provisions of the Act.

The Company has adopted all the relevant Ind AS and the adoption was carried out in accordance with Ind AS 101, "First Time Adoption of Indian Accounting Standards". Accordingly, these Standalone Financial Statements for the year ended 31st March, 2018 are the Company's First Ind AS Standalone Financial Statements.

For all periods up to and including the year ended 31st March, 2017, the Company prepared its Standalone Financial Statements in accordance with Indian Accounting Principles generally accepted in India including Accounting Standards notified under Section 133 of the Act read with paragraph 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP). Reconciliation and description of the effect of the transition have been summarised in Notes to financial statements.

The transition to Ind AS has resulted in changes in the presentation of the Financial Statements, disclosures in the notes thereto and accounting policies and principles.

These Standalone Financial Statements of the Company as at and for the year ended 31st March, 2018 (including comparatives) were approved and authorised for issue by the Board of Directors of the Company on 30th May, 2018.

The financial statements of the Company are prepared on historical cost basis except for the following assets and liabilities which have been measured at fair value:-

- Certain financial assets and liabilities (including Derivative Instruments)
- Defined Benefit and other Long term Employee Benefits,

1.3 CURRENT & NON-CURRENT CLASSIFICATION

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle (twelve months) and other criteria set out in the Schedule III to the Act.

1.4.1 USE OF ESTIMATES AND JUDGEMENTS

The estimates and judgments used in the preparation of the financial statements are continuously evaluated by the Company and are based on historical experience and various other assumptions and factors (including expectations of future events) that the Company believes to be reasonable under the existing circumstances. Differences between actual results and estimates are recognised in the period in which the results are known/materialized.

The said estimates are based on the facts and events, that existed as at the reporting date, or that occurred after that date but provide additional evidence about conditions existing as at the reporting date

1.5 PROPERTY, PLANT AND EQUIPMENT**Property, Plant and Equipment**

All other items of property, plant and equipment except land are measured at cost less accumulated depreciation and impairment losses, if any. Costs include freight, import duties, non-refundable purchase taxes and other expenses directly attributable to the acquisition of the asset. Land is stated at fair value.

Depreciation/amortization:

Depreciation on fixed assets is provided on straight line method over the useful lives of assets specified in Schedule II of the Companies Act, 2013.

The management believes that the useful life as given above the best represent the period over which the management expects to use these assets. The Company reviews the useful life and residual value at each reporting date.

Depreciation on assets added/sold or discarded during the year is being provided on pro-rata basis up to the date on which such assets are added/sold or discarded.

1.6 IMPAIRMENT OF NON-FINANCIAL ASSETS

The Company assesses at each reporting date whether there is any objective evidence that a non-financial asset or a group of non-financial assets are impaired. If any such indication exists, the Company estimates the amount of impairment loss. For the purpose of assessing impairment, the smallest identifiable group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows from other assets or groups of assets is considered as a cash generating unit. If any such indication exists, an estimate of the recoverable amount of the individual asset/cash generating unit is made.

An impairment loss is calculated as the difference between an asset's carrying amount and recoverable amount. Losses are recognised in profit or loss. When the Company considers that there are no realistic prospects of recovery of the asset, the relevant amounts are written off. If the amount of impairment loss subsequently decreases and the decrease can be related objectively to an event occurring after the impairment was recognized, then the previously recognized impairment loss is reversed through profit or loss

1.7 REVENUE RECOGNITION

Revenue is recognized to the extent that it is probable that the economic benefit will flow to the Company and the revenue can be measured reliably.

Sale of goods:

Revenue from the sale of goods is recognized when the significant risks and rewards of ownership of the goods have been transferred to the buyer.

Revenue from sale of goods is net of taxes and recovery of charges collected from customers like transport, packing etc. Provision is made for returns when appropriate. Revenue is measured at the fair value of consideration received or receivable and is net of price discounts, Freight, allowance for volume rebates, and similar items.

Other Income

Interest income is recognized on a time proportionate basis taking into account the amounts invested and the rate of interest.

1.8 INVENTORIES

- (i) Inventories are valued at lower of cost and net realizable value. Raw material cost is computed on quarterly weighted average basis.
- (ii) Finished goods and Work-in-Process include estimated cost of conversion and other costs incurred in bringing the inventories to their present location and condition.
- (iii) Inventory of stores and spares, being not material, are charged to consumption on procurement.

1.9 FINANCIAL INSTRUMENTS**Financial assets - Initial recognition**

Financial assets are recognized when the Company becomes a party to the contractual provisions of the instruments. Financial assets other than trade receivables are initially recognized at fair value plus transaction costs for all financial assets not carried at fair value through profit or loss. Financial assets carried at fair value through profit or loss are initially recognized at fair value, and transaction costs are expensed in the Statement of Profit and Loss.

Subsequent measurement

Financial assets, other than equity instruments, are subsequently measured at amortized cost, fair value through other comprehensive income or fair value through profit or loss on the basis of both:

- (a) The entity's business model for managing the financial assets and
- (b) The Contractual cash flow characteristics of the financial asset.

(a) Measured at amortised cost:

A financial asset is measured at amortized cost, if it is held under the hold to collect business model i.e. held with an objective of holding the assets to collect contractual cash flows and the contractual cash flows are solely payments of principal and interest on the principal outstanding. Amortized cost is calculated using the effective interest rate ("EIR") method by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included in interest income in the Statement of Profit and Loss. The losses arising from impairment are recognized in the Statement of Profit and Loss. On derecognition, gain or loss, if any, is recognised to Statement of Profit and Loss.

(b) Measured at fair value through other comprehensive income

A financial asset is measured at FVOCI, if it is held under the hold to collect and sell business model i.e. held with an objective to collect contractual cash flows and selling such financial asset and the contractual cash flows are solely payments of principal and interest on the principal outstanding. It is subsequently measured at fair value with fair value movements recognised in the OCI, except for interest income which recognised using EIR method. The losses arising from impairment are recognised in the Statement of Profit and Loss. On derecognition, cumulative gain or loss previously recognised in the OCI is reclassified from the equity to Statement of Profit and Loss.

(c) Measured at fair value through profit or loss

Investment in financial asset other than equity instrument, not measured at either amortised cost or FVOCI is measured at FVTPL. Such financial assets are measured at fair value with all changes in fair value, including interest income and dividend income if any, recognised in the Statement of Profit and Loss.

Financial Liabilities

Initial Recognition and measurement

Financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instruments. Financial liabilities are initially recognised at fair value net of transaction costs for all financial liabilities not carried at fair value through profit or loss.

The Company's financial liabilities includes trade and other payables, loans and borrowings including bank overdrafts and derivative instruments.

Subsequent measurement

Financial liabilities measured at amortised cost are subsequently measured at using EIR method. Financial liabilities carried at fair value through profit or loss are measured at fair value with all changes in fair value recognised in the Statement of Profit and Loss.

Loans & Borrowings:

After initial recognition, interest bearing loans and borrowings are subsequently measured at amortised cost using EIR method. Gains and losses are recognized in profit & loss when the liabilities are derecognized as well as through EIR amortization process.

Financial Guarantee Contracts

Financial guarantee contracts issued by the Company are those contracts that requires a payment to be made or to reimburse the holder for a loss it incurs because the specified debtors fails to make payment when due in accordance with the term of a debt instrument. Financial guarantee contracts are recognized initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee.

Subsequently the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognized less cumulative adjustments.

Derivative financial instruments

The Company uses derivative financial instruments, such as forward foreign exchange contracts, to hedge its foreign currency risks. Such derivative financial instruments are initially recognised at fair value on the date on

which a derivative contract is entered into and are subsequently remeasured at fair value, with changes in fair value recognised in Statement of Profit and Loss.

1.10 FAIR VALUE MEASUREMENT:

The Company measures financial instruments, such as, derivatives at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or or settle a liability in an ordinary transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or settle a liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) prices in active markets for identical assets or liabilities.
- Level 2 — other techniques for which all input which have a significant effect on the recorded fair value are observable, either directly or indirectly.
- Level 3 — Inputs which are not based on observable market data

1.11 EMPLOYEE BENEFITS

The Company has provides following post-employment plans:

- (a) Defined benefit plans such a gratuity and
- (b) Defined contribution plans such as Provident fund & ESIC

a) Defined-benefit plan:

The liability or asset recognised in the balance sheet in respect of defined benefit plan is the present value of defined benefit obligations at the end of the reporting period less fair value of plan assets. The defined benefit obligations is calculated annually by actuaries through actuarial valuation using the projected unit credit method.

The Company recognises the following changes in the net defined benefit obligation as an expense in the statement of profit and loss:

- (a) Service costs comprising current service costs, past-service costs, gains and losses on curtailment and non-routine settlements; and
- (b) Net interest expense or income

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and fair value of plan assets. This cost is included in employee benefit expenses in the statement of the profit & loss.

Re-measurement comprising of actuarial gains and losses arising from

- (a) Re-measurement of Actuarial(gains)/losses
- (b) Return on plan assets, excluding amount recognized in effect of asset ceiling
- (c) Re-measurement arising because of change in effect of asset ceiling

are recognised in the period in which they occur directly in Other comprehensive income. Re-measurement are not reclassified to profit or loss in subsequent periods.

Ind AS 19 requires the exercise of judgment in relation to various assumptions including future pay rises, inflation and discount rates and employee and pensioner demographics. The Company determines the assumptions in conjunction with its actuaries, and believes these assumptions to be in line with best practice, but the application of different assumptions could have a significant effect on the amounts reflected in the income statement, other comprehensive income and balance sheet. There may be also interdependency between some of the assumptions.

b) Defined-contribution plan:

Under defined contribution plans, provident fund, the Company pays pre-defined amounts to separate funds and does not have any legal or informal obligation to pay additional sums. Defined Contribution plan comprise of contributions to the employees' provident fund with the government, superannuation fund and certain state plans like Employees' State Insurance and Employees' Pension Scheme. The Company's payments to the defined contribution plans are recognised as expenses during the period in which the employees perform the services that the payment covers.

c) Other employee benefits:

(a) Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related services are recognised as a liability at the present value of the obligation as at the Balance sheet date determined based on an actuarial valuation.

(b) Undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognised during the period when the employee renders the related services.

1.12 LEASES

A lease is classified at the inception date as a finance lease or an operating lease. Leases under which the Company assumes substantially all the risks and rewards of ownership are classified as finance leases. When acquired, such assets are capitalized at fair value or present value of the minimum lease payments at the inception of the lease, whichever is lower. Lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognised in finance costs in the statement of profit and loss

Other leases are treated as operating leases, with payments are recognised as expense in the statement of profit & loss on a straight-line basis over the lease term.

1.13 FOREIGN CURRENCY TRANSACTIONS

a) Initial Recognition

Transactions in foreign currency are recorded at the exchange rate prevailing on the date of the transaction. Exchange differences arising on foreign exchange transactions settled during the year are recognized in the Statement of Profit and Loss of the year.

b) Measurement of Foreign Currency Items at the Balance Sheet Date

Foreign currency monetary items of the Company are restated at the closing exchange rates. Non-monetary items are recorded at the exchange rate prevailing on the date of the transaction. Exchange differences arising out of these transactions are charged to the Statement of Profit and Loss.

1.14.1 TAX EXPENSES

The tax expense for the period comprises current and deferred tax. Tax is recognised in Statement of Profit and Loss, except to the extent that it relates to items recognised in the comprehensive income or in equity. In which case, the tax is also recognised in other comprehensive income or equity

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, based on tax rates and laws that are enacted or substantively enacted at the Balance sheet date

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The carrying amount of Deferred tax liabilities and assets are reviewed at the end of each reporting period.

1.15 PROVISIONS AND CONTINGENCIES

A provision is recognised if, as a result of a past event, the group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation.

Provisions for onerous contracts are recognized when the expected benefits to be derived by the Company from a contract are lower than the unavoidable costs of meeting the future obligations under the contract.

A disclosure for contingent liabilities is made where there is a possible obligation or a present obligation that may probably not require an outflow of resources or an obligation for which the future outcome cannot be ascertained with reasonable certainty. When there is a possible or a present obligation where the likelihood of outflow of resources is remote, no provision or disclosure is made.

1.16 CASH AND CASH EQUIVALENTS

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

1.17 CASH FLOW STATEMENT

Cash flows are reported using the indirect method where by the profit before tax is adjusted for the effect of the transactions of a non-cash nature, any deferrals or accruals of past and future operating cash receipts or payments and items of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the company are segregated.

1.18 BORROWING COST

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of qualifying assets are capitalized as a part of Cost of that assets, during the period till all the activities necessary to prepare the Qualifying assets for its intended use or sale are complete during the period of time that is required to complete and prepare the assets for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

Other borrowing costs are recognized as an expense in the period in which they are incurred.

1.19 EARNINGS PER SHARE

Basic EPS is arrived at based on net profit after tax available to equity shareholders to the weighted average number of equity shares outstanding during the year.

The diluted EPS is calculated on the same basis as basic EPS, after adjusting for the effects of potential dilutive equity shares unless impact is anti-dilutive.

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS AS AT 31st March 2018
(Rs in Lacs)
NOTE - 2: Property, Plant and Equipment

| | Land | Factory Buildings | Office Buildings | Electric Installation | Laboratory Equipments | Furniture & Fixture | Vehicles | Office Equipments | Total |
|--------------------------------------------------|----------|-------------------|------------------|-----------------------|-----------------------|---------------------|----------|-------------------|----------|
| Gross carrying value | | | | | | | | | |
| Balance as at 1st April 2016 | 517.90 | 224.42 | 131.75 | 100.90 | 188.25 | 86.73 | 337.37 | 173.14 | 1,760.46 |
| Additions | 27.22 | - | - | - | - | - | 99.00 | 3.33 | 129.55 |
| Deductions/ Adjustment | - | - | - | - | - | - | - | - | - |
| Balance as at 31st March 2017 | 545.12 | 224.42 | 131.75 | 100.90 | 188.25 | 86.73 | 436.37 | 176.47 | 1,890.01 |
| Accumulated depreciation | | | | | | | | | |
| Balance as at 1st April 2016 | - | 163.21 | 64.34 | 99.04 | 188.00 | 57.51 | 160.53 | 141.83 | 874.46 |
| Additions | - | 2.94 | 1.08 | 0.62 | 0.08 | 0.42 | 1.28 | 6.13 | 12.55 |
| Deductions/ Adjustment | - | - | - | - | - | - | - | - | - |
| Balance as at 31st March 2017 | - | 166.15 | 65.42 | 99.66 | 188.08 | 57.93 | 161.81 | 147.96 | 887.01 |
| Net carrying amount | | | | | | | | | |
| as at 1st April 2016 | 517.90 | 61.21 | 67.41 | 1.86 | 0.25 | 29.22 | 176.84 | 31.31 | 886.00 |
| Net carrying amount as at 31st March 2017 | 545.12 | 58.27 | 66.33 | 1.24 | 0.17 | 28.80 | 274.56 | 28.51 | 1,003.00 |
| Gross Block | | | | | | | | | |
| Balance as at 1st April 2017 | 545.12 | 224.42 | 131.75 | 100.90 | 188.25 | 86.73 | 436.37 | 176.47 | 1,890.01 |
| Additions | 431.61 | - | - | - | - | - | 60.13 | 3.03 | 494.77 |
| revaluation* | 3,114.62 | - | - | - | - | - | - | - | 3,114.62 |
| Deductions/ Adjustment | - | - | - | - | - | - | (75.11) | - | (75.11) |
| Balance as at 31st March 2018 | 4,091.35 | 224.42 | 131.75 | 100.90 | 188.25 | 86.73 | 421.39 | 179.50 | 5,424.29 |
| Accumulated Depreciation | | | | | | | | | |
| Balance as at 1st April 2017 | - | 166.15 | 65.42 | 99.66 | 188.08 | 57.93 | 161.81 | 147.96 | 887.01 |
| Additions | - | 3.03 | - | 0.09 | 0.01 | 1.82 | 11.08 | 2.02 | 18.05 |
| Deductions/ Adjustment | - | - | - | - | - | - | (55.05) | - | (55.05) |
| Balance as at 31st March 2018 | - | 169.18 | 65.42 | 99.75 | 188.09 | 59.75 | 117.84 | 149.98 | 850.01 |
| Net carrying amount as at 31st March 2017 | | | | | | | | | |
| | 545.12 | 58.27 | 66.33 | 1.24 | 0.17 | 28.80 | 274.56 | 28.51 | 1,003.00 |
| Net carrying amount as at 31st March 2018 | | | | | | | | | |
| | 4,091.35 | 55.24 | 66.33 | 1.16 | 0.16 | 26.97 | 303.55 | 29.52 | 4,574.28 |

* Land is initially recognised at cost During the year land has been revalued by independent professional valuer and revaluation amount is credited to revaluation reserve of Rs. 3114.62 Lacs and carrying amounts of land arising from revaluation is increased by Rs. 3114.62 Lacs.

(Rs in Lacs)

| | As at 31st March, 2018 | As at 31st March, 2017 | As at 1st April, 2016 |
|-------------------------------------------|------------------------|------------------------|-----------------------|
| NOTE - 3: Capital Work-In-Progress | | | |
| Capital Work-In-Progress | 1,724.15 | 1,517.31 | 1,423.09 |
| Total | 1,724.15 | 1,517.31 | 1,423.09 |

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS AS AT 31st March 2018

(Rs in Lacs)

| | As at 31st March, 2018 | As at 31st March, 2017 | As at 1st April, 2016 |
|----------------------------------------------------------------------------------------------------------------|---------------------------|---------------------------|--------------------------|
| NOTE - 4: FINANCIALS ASSETS | | | |
| i. INVESTMENTS | | | |
| <u>Unquoted</u> | | | |
| (a) Investment in Equity shares | | | |
| (i) In subsidiary company | - | | |
| 570000 (570000) (570000) Equity Shares of Metrochem Capital Trust Ltd. each of Rs. 10/- fully paid up | 114.00 | 114.00 | 114 |
| (ii) In associate companies (At Cost) | | | |
| 170 (170) (170) Equity Shares of Anil Dyechem Ind. Pvt. Ltd. of Rs. 1000/- each fully paid up | 3.42 | 3.42 | 3.42 |
| NIL (17000) (17000) Equity Shares of Miraj Impex P.Ltd. Share A/c of of Rs. 10/- each fully paid up | - | 2.82 | 2.82 |
| 4500 (4500) (4500) Equity Shares of Dual Metals Pvt.Ltd. Share A/c of of Rs. 10/- each fully paid up | 0.45 | 0.45 | 0.45 |
| 4500 (4500) (4500) Equity Shares of D K Metro Procon Pvt.Ltd. Share A/c of of Rs. 10/- each fully paid up | 0.45 | 0.45 | 0.45 |
| 45000 (45000) (45000) Equity Shares of Rian Chemicals Pvt.Ltd. Share A/c of of Rs. 10/- each fully paid up | 4.50 | 4.50 | 4.50 |
| (iii) Other companies (At Fair Value) | | | |
| 200 (200) (200) Equity Shares of Green Environment Services Co-op Society Ltd. of Rs. 100/- each fully paid up | 0.20 | 0.20 | 0.20 |
| Aggregate amount of Unquoted Investments | 123.02 | 125.84 | 125.84 |
| <u>Quoted</u> | | | |
| (a) Shares of Listed Companies (At Fair Value) | 1047.81 | 1158.97 | 1049.94 |
| (b) Investment in debentures or bonds (At Fair Value) | 510.04 | 611.00 | 378.58 |
| Aggregate amount of Quoted Investments | 1,557.85 | 1,769.97 | 1,428.52 |
| TOTAL INVESTMENTS | 1,680.87 | 1,895.81 | 1,554.36 |
| ii. Deposits & Other financial assets | | | |
| (a) Security Deposits other than Government | 15.84 | 15.84 | 19.08 |
| TOTAL | 15.84 | 15.84 | 19.08 |

NOTE - 5 : OTHER NON CURRENT ASSETS
Long Term Loans and advances to Related Parties

| | | | |
|---------------------------------------------------------------------------------------------------------|---------|---------|---------|
| a) Loans and advances to Partnership Firms in which the company is Partner (Unsecured, considered good) | 2091.15 | 2571.73 | 3338.04 |
| b) Loans and advances to company in which the company is a shareholder (Unsecured, considered good) | 831.49 | 1676.03 | 1440.17 |

Long Term Loans and advances to Suppliers, Contractors & others

| | | | |
|------------------------------|-----------------|-----------------|-----------------|
| Secured, considered good | 2736.35 | 2736.35 | 2736.35 |
| Unsecured, considered good | 96.25 | 96.25 | 96.25 |
| Sub-Total | 5,755.24 | 7,080.36 | 7,610.81 |
| Deferred Revenue Expenditure | 17.01 | 22.16 | 26.65 |
| Sub-Total | 17.01 | 22.16 | 26.65 |
| Total | 5,772.25 | 7,102.52 | 7,637.46 |

Current Assets
NOTE - 6 : INVENTORIES

Stock in Trade :

| | | | |
|---------------------------------------------------------|-----------------|-----------------|-----------------|
| Traded Goods (at lower of cost or net realizable value) | 660.96 | 332.02 | 36.43 |
| Work in Process of Real Estate projects (at cost) | 1,168.03 | 1,168.03 | 1,042.88 |
| Sub-Total | 1,828.99 | 1,500.05 | 1,079.31 |

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS AS AT 31st March 2018

(Rs in Lacs)

| | As at 31st March, 2018 | As at 31st March, 2017 | As at 1st April, 2016 |
|---------------------------------------------------|---------------------------|---------------------------|--------------------------|
| NOTE - 7 : TRADE RECEIVABLES | | | |
| Due over six months | | | |
| - considered good | - | - | - |
| - considered doubtful | 323.15 | 323.15 | 323.15 |
| Less: Provison for bad debts | (323.15) | (323.15) | (323.15) |
| | - | - | - |
| Others (considered good) | | | |
| (b) Other receivables (Unsecured considered good) | 6465.46 | 4126.59 | 10,035.59 |
| Sub-Total | 6,465.46 | 4,126.59 | 10,035.59 |

NOTE - 8 : CASH AND CASH EQUIVALENTS

| | | | |
|-------------------------|--------------|---------------|--------------|
| (a) Balances with banks | 69.91 | 265.56 | 88.35 |
| (b) Cash on hand | 1.94 | 3.63 | 8.52 |
| Total | 71.85 | 269.19 | 96.87 |

NOTE - 9 : OTHER BANK BALANCES

| | | | |
|------------------------------------------------------------------|-----------------|-----------------|-----------------|
| (a) Earmarked balances with banks : Balance in Dividend Accounts | 5.03 | 9.82 | 9.82 |
| (b) Fixed Deposits | 974.46 | 1,026.17 | 1,077.13 |
| (c) Balances In Liquid Funds | 6,359.12 | 4,107.75 | 4,047.28 |
| Total | 7,338.61 | 5,143.74 | 5,134.23 |

NOTE - 10 : OTHER CURRENT ASSETS

| | | | |
|----------------------------------------------------------|------------------|------------------|------------------|
| a) Deposits with Other Companies | | | |
| Unsecured, considered good | 712.06 | 700.00 | 500.74 |
| b) Balances with Government | 310.24 | 313.89 | 313.24 |
| c) Loans and advances to Suppliers ,Contractors & others | | | |
| Secured, considered good | 0.00 | 234.24 | 912.24 |
| Unsecured, considered good | 12179.22 | 12459.56 | 9927.77 |
| d) Income Tax Refund Receivable /MAT cr | 879.91 | 1205.46 | 1248.74 |
| Total | 14,081.43 | 14,913.15 | 12,902.73 |

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS AS AT 31st March 2018

Note No. 11

Statement of Changes in Equity for the year ended 31st March' 2018

(Rs in Lacs)

A) Equity Share Capital :

| Particulars | Balance as at 1st April, 2016 | Changes in equity share capital during the 2016-17 | Balance as at 31st March' 2017 | Balance as at 31st March, 2017 | Changes in equity share capital during the 2017-18 | Balance as at 31st March' 2018 |
|-----------------------------------------------------------------------------|-------------------------------|----------------------------------------------------|--------------------------------|--------------------------------|----------------------------------------------------|--------------------------------|
| 16326742 (16326742)(16326742) Equity Shares of Rs. 10 each fully paid up | 1,632.67 | - | 1,632.67 | 1,632.67 | - | 1,632.67 |

B) OTHER EQUITY :

(Rs in Lacs)

| Particulars | Reserve and Surplus | | | | | Retained Earnings | TOTAL OTHER EQUITY |
|----------------------------------------|---------------------|-----------------|----------------------------|--------------------|---------------------|-------------------|--------------------|
| | General Reserve | Capital Reserve | Capital Redemption Reserve | Securities Premium | Revaluation Reserve | | |
| Balances as at 1st April, 2016 | 17,376.73 | 1,076.05 | 1,500.00 | 10,253.97 | - | (5,924.41) | 24,282.34 |
| Addition During the year | | | | | | | |
| Profit during the year | | | | | | 1,501.96 | 1,501.96 |
| Other Comprehensive Income net off tax | | | | | | 59.65 | 59.65 |
| Balance as at 31st March' 2017 | 17,376.73 | 1,076.05 | 1,500.00 | 10,253.97 | - | (4,362.80) | 25,843.95 |
| Addition During the year | | | | | 3,114.62 | - | 3,114.62 |
| Profit during the year | | | | | | 1,770.57 | 1,770.57 |
| Other Comprehensive Income net off tax | | | | | | 9.50 | 9.50 |
| Balance as at 31st March, 2018 | 17,376.73 | 1,076.05 | 1,500.00 | 10,253.97 | 3,114.62 | (2,582.73) | 30,738.64 |

(Rs in Lacs)

| | As at 31st March, 2018 | As at 31st March, 2017 | As at 1st April, 2016 |
|--|------------------------|------------------------|-----------------------|
|--|------------------------|------------------------|-----------------------|

Non-Current Liabilities-Financial Liabilities
NOTE - 12 : Long Term Borrowings- At Amortised Cost

Secured-

| | | | |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------|---------------|--------|
| Indian Rupee loan from ICICI Bank Limited (The loan is secured by mortgage over flat in scheme ADANI Heights owned by the company located at Mumbai) The loan is repayable in 240 monthly installments from the month in which construction is completed. | 283.90 | 308.29 | 308.29 |
| Indian Rupee loan from Kotak Bank Limited (The loan was secured by exclusive charge over the land owned by the company located at Chhatral, Kalol) | - | - | 257.54 |

| | | | |
|------------------|---------------|---------------|---------------|
| sub total | 283.90 | 308.29 | 565.83 |
|------------------|---------------|---------------|---------------|

Unsecured- At Amortised Cost

| | | | |
|-----------------------------------------------------------------------------------------------------------------------------|-----------------|-----------------|----------|
| Other Unsecured Loan from Corporate Bodies (associate companies) which is expected to be paid within a period of 2-5 years. | 2,751.13 | 2,822.59 | 4,658.78 |
|-----------------------------------------------------------------------------------------------------------------------------|-----------------|-----------------|----------|

| | | | |
|------------------|-----------------|-----------------|-----------------|
| sub total | 2,751.13 | 2,822.59 | 4,658.78 |
|------------------|-----------------|-----------------|-----------------|

| | | | |
|--------------|-----------------|-----------------|-----------------|
| Total | 3,035.03 | 3,130.88 | 5,224.61 |
|--------------|-----------------|-----------------|-----------------|

NOTE - 13 : DEFERRED TAX LIABILITIES

| | | | |
|--------------------------|--------------|--------------|--------------|
| Deferred Tax Liabilities | 46.07 | 46.07 | 46.07 |
| Total | 46.07 | 46.07 | 46.07 |

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS AS AT 31st March 2018

(Rs in Lacs)

| | As at 31st March, 2018 | As at 31st March, 2017 | As at 1st April, 2016 |
|---------------------------------------|---------------------------|---------------------------|--------------------------|
| NOTE - 14 : BORROWINGS-CURRENT | | | |
| Secured -At Amortised Cost | | | |
| Working Capital Loans - From Banks | 2,380.79 | 3,161.97 | 863.93 |
| Unsecured Loan from Corporate Bodies | 480.94 | 638.88 | 283.18 |
| Unsecured Loan from Directors | 926.34 | 320.00 | - |
| sub total | 3,788.07 | 4,120.85 | 1,147.11 |

Working Capital Facilities

- 1) State Bank of India
- 2) Kotak Bank
- 3) HDFC bnak
- 4) Dutche Bank

Terms:Repayble on Demand
Security

- 1) Working capital loan from State Bank Of India is secured by present and future book debts and inventories of the Company, personal guarantee of the promoter directors.
- 2) Dropline OD/ working cap facility of Kotak Bank against mortgage of property of Director
- 3) OD/ working cap facility of HDFC Bank and Dutche bank is against pledge of Mutual funds.

NOTE - 15 : TRADE PAYABLES

| | | | |
|-----------------|-----------------|-----------------|-----------------|
| Trade payables* | 3,914.84 | 2,379.27 | 8,131.99 |
| Total | 3,914.84 | 2,379.27 | 8,131.99 |

*Principal amount due to suppliers registered under the MSMED Act and remaining unpaid as at year end

Interest due to suppliers registered under the MSMED Act and remaining unpaid as at year end

Principal amounts paid to suppliers registered under the MSMED Act, beyond the appointed day during the year

| | | |
|-----|-----|-----|
| NIL | NIL | NIL |
|-----|-----|-----|

Interest paid, other than under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year

Interest paid, under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year

Interest due and payable towards suppliers registered under MSMED Act, for payments already made

Further interest remaining due and payable for earlier years

NOTE - 16 : Other Financial Liabilities

| | | | |
|--------------------------|---------------|---------------|---------------|
| i) Unpaid Dividend | 5.03 | 9.82 | 9.82 |
| iii) Outstanding expense | 10.05 | 19.54 | 2.80 |
| iv) Other Payables | 358.64 | 217.32 | 220.06 |
| Total | 373.72 | 246.68 | 232.68 |

NOTE - 17 : Other Current Liabilities

| | | | |
|----------------|--------------|--------------|--------------|
| Statutory Dues | 13.52 | 74.62 | 59.35 |
| Total | 13.52 | 74.62 | 59.35 |

NOTE - 18 : Provisions

| | | | |
|---------------------------------|--------------|--------------|--------------|
| Provision for Employee benefits | 11.17 | 12.21 | 11.90 |
| Total | 11.17 | 12.21 | 11.90 |

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS AS AT 31st March 2018

| | For the year ended 31st March, 2018 in Lacs | For the year ended 31st March, 2017 in Lacs |
|----------------------------------------------|------------------------------------------------------|------------------------------------------------------|
| NOTE- 19 : REVENUE FROM OPERATIONS | | |
| SALES - Domestic | 30,989.48 | 33,091.86 |
| - Exports | - | - |
| | 30,989.48 | 33,091.86 |
| Less: Excise Duty | - | - |
| | 30,989.48 | 33,091.86 |
| Interest Income | 1,787.46 | 1,953.09 |
| Profit of partnership firm | - | 15.00 |
| Total | 32,776.94 | 35,059.95 |
| Sale of products comprises : | | |
| <u>Manufactured goods</u> | | |
| Dyes Intermediates | | |
| Local | - | - |
| Export | - | - |
| Total - Sale of manufactured goods | - | - |
| <u>Traded goods</u> | | |
| Dyes intermediates and other traded products | 30,989.48 | 33,091.86 |
| Total - Sale of traded goods | 30,989.48 | 33,091.86 |
| Total - Sale of products | 30,989.48 | 33,091.86 |

NOTE- 20 : OTHER INCOME

| | | |
|----------------------------------------------|-----------------|---------------|
| Profit /(loss) on Sale of Fixed Assets (Net) | (6.99) | - |
| Misc. Income | - | 2.18 |
| Interest on income tax refund | 20.72 | 64.44 |
| Profit/(loss) on Sale of Investments (Net) | 1,056.15 | 84.60 |
| Dividend income | 28.06 | 3.64 |
| Total | 1,097.94 | 154.86 |

**NOTE- 21 : (INCREASE)/DECREASE IN FINISHED GOODS,
WORK IN PROGRESS & STOCK IN TRADE**

| | | |
|----------------------------------|-----------------|-----------------|
| Stock at the Commencement : | | |
| Finished Goods (traded products) | 332.02 | 36.43 |
| Stock at the End : | | |
| Finished Goods (traded products) | 660.95 | 332.02 |
| Total | (328.93) | (295.59) |

NOTE- 22 : EMPLOYEE BENEFIT EXPENSE

| | | |
|---------------------------------------------------------------------------|---------------|---------------|
| Salaries, Wages and Bonus | 100.49 | 104.27 |
| Contribution to Provident Fund , Family Pension Fund & other contribution | 9.08 | 7.52 |
| Workers & Staff Welfare Expenses | 1.96 | 1.42 |
| Total | 111.53 | 113.21 |

NOTE- 23 : FINANCIAL COST

| | | |
|----------------------|---------------|---------------|
| Interest expenditure | 154.35 | 118.26 |
| Total | 154.35 | 118.26 |

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS AS AT 31st March 2018

| | For the year ended 31st March, 2018 in Lacs | For the year ended 31st March, 2017 in Lacs |
|--------------------------------------------|------------------------------------------------------|------------------------------------------------------|
| NOTE- 24 : OTHER EXPENSES | | |
| Water, Power & Fuel | 8.68 | 9.82 |
| Other Misc. Factory Expenses | 1.56 | 3.14 |
| Rates & Taxes | 7.64 | 16.29 |
| Insurance | 2.38 | 4.91 |
| Postage, Telephone & Stationery | 11.45 | 9.06 |
| Legal & Consultancy Expenses | 87.45 | 71.08 |
| Other Administration Expenses | 37.85 | 48.09 |
| Bad debts | 440.79 | - |
| Audit Fees | 6.00 | 6.93 |
| Donation | 49.82 | 50.95 |
| Deferred Revenue Expenditure | 5.06 | 6.41 |
| Bill discounting cost & other bank charges | 13.23 | 88.56 |
| Sales Promotion Expenses | 54.78 | 37.69 |
| Inland Freight & Cartage | 65.30 | 35.87 |
| Total | 791.99 | 388.80 |

NOTE - 25 : FINANCIAL INSTRUMENTS

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The following methods and assumptions were used to estimate the fair values:

1. Fair value of cash and short-term deposits, trade and other short term receivables, trade payables, other current liabilities, short term loans from banks and other financial institutions approximate their carrying amounts largely due to short term maturities of these instruments.
2. Financial instruments with fixed and variable interest rates are evaluated by the Company based on parameters such as interest rates and individual credit worthiness of the counterparty. Based on this evaluation, allowances are taken to account for expected losses of these receivables. Accordingly, fair value of such instruments is not materially different from their carrying amounts.

The Financial Instruments are categorised in two level based on the inputs used to arrive at fair value measurements as described below:-

Level 1: quoted (unadjusted) prices in active markets for identical assets or liabilities.

Level 2: other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly.

Level 3: Inputs which are not based on observable market data

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS AS AT 31st March 2018

The carrying amounts and fair values of financial instruments by category are as follows:

a. **Financial assets (RS in Lacs)**

| Particulars | As at 31st March 2018 | | | As at 31st March 2017 | | | As at 01st April 2016 | | |
|------------------------------|-----------------------|------------------------|---------|-----------------------|------------------------|---------|-----------------------|------------------------|---------|
| | Carrying Amount | Level of Input Used In | | Carrying Amount | Level of Input Used In | | Carrying Amount | Level of Input Used In | |
| | Level 3 | Level 1 | Level 2 | Level 3 | Level 1 | Level 2 | Level 3 | Level 1 | Level 2 |
| Financial Assets | | | | | | | | | |
| At Amortised Cost | | | | | | | | | |
| Trade receivables | 6,465.46 | - | - | 4,126.59 | - | - | 10,035.59 | - | - |
| Cash and cash equivalents | 71.85 | - | - | 269.19 | - | - | 96.87 | - | - |
| Other Bank Balance | 7,338.61 | - | - | 5,143.74 | - | - | 5,134.23 | - | - |
| At FVTPL | | | | | | | | | |
| Trade receivables | - | - | - | - | - | - | - | - | - |
| Cash and cash equivalents | - | - | - | - | - | - | - | - | - |
| Other Bank Balance | - | - | - | - | - | - | - | - | - |
| At FVTOCI | | | | | | | | | |
| Trade receivables | - | - | - | - | - | - | - | - | - |
| Cash and cash equivalents | - | - | - | - | - | - | - | - | - |
| Other Bank Balance | - | - | - | - | - | - | - | - | - |
| Financial Liabilities | | | | | | | | | |
| Borrowings | 3,788.07 | - | - | 4,120.85 | - | - | 1,147.11 | - | - |
| Trade payables | 3,914.84 | - | - | 2,379.27 | - | - | 8,131.99 | - | - |
| Other financial liabilities | 373.72 | - | - | 246.68 | - | - | 232.68 | - | - |

Note 26—Financial Risk Management

Financial risk management objectives and policies

The company's principal financial liabilities comprises of loans and borrowings, trade and other payables. The Company's principal financial assets include mutual funds, trade and other receivable and cash and cash equivalents that derive directly from its operations. The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks. The senior management ensures that the Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. The Company does not enter into or trade financial instruments, including derivative financial instruments, for speculative purpose. The Board of Directors reviews policies for managing each of these risks, which are summarized below :

Market risk is the risk that changes in market prices-such as foreign exchange rates, interest rates and equity prices will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters while optimizing the return. The major components of market risk are foreign currency risk and interest rate risk .

(i) Market Risk- Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's main interest rate risk arises from the long term borrowings with fixed rates. The Company's fixed rates borrowings are carried at amortized cost. The Company invests the surplus fund generated from operations in mutual funds. Considering these mutual funds are short term in nature, there is no significant interest rate risk. The Company has laid policies and guidelines including tenure of investment made to minimize impact of interest rate risk

Exposure to interest rate risk

| Particulars | (Rs in Lacs) | | |
|----------------------------------------------|------------------------|------------------------|-----------------------|
| | As at 31st March, 2018 | As at 31st March, 2017 | As at 1st April, 2016 |
| Borrowings bearing variable rate of interest | 2,380.79 | 3,161.97 | 863.93 |
| Borrowings bearing Fixed rate of interest | 4,442.31 | 4,089.76 | 5,250.25 |

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS AS AT 31st March 2018
(ii) Market Risk- Foreign currency risk.

Foreign currency risk is the risk that the fair fluctuate because in foreign exchange rates. The Company does not have material foreign currency exposure as at balance sheet date. Hence, it does not have any significant foreign currency risk.

(iii) Credit risk

Credit risk arises from the possibility that the counter party may not be able to settle their obligations as agreed. To manage this, the company periodically assess financial reliability of customer, taking into account the financial condition, current economic trends, and analysis of historical bad debts and ageing of accounts receivable. Individual risk limits are set accordingly.

The company considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis through each reporting period. To assess whether there is a significant increase in credit risk the company compares the risk of default occurring on asset as at the reporting date with the risk of default as at the date of initial recognition. It considers reasonable and supportive forwarding-looking information such as:

- i) Actual or expected significant adverse changes in business,
- ii) Actual or expected significant changes in the operating results of the counterparty,
- iii) Financial or economic conditions that are expected to cause a significant change to the counterparty's ability to meet its obligations,
- iv) Significant increase in credit risk on other financial instruments of the same counterparty,
- v) Significant changes in the value of the collateral supporting the obligation or in the quality of the third-party guarantees or credit enhancements .

Ageing of Account receivables

| | As at 31st March, 2018 | As at 31st March, 2017 | As at 1st April, 2016 |
|-----------------|---------------------------|---------------------------|--------------------------|
| 0-6 months | 6,465.46 | 4,126.59 | 10,035.59 |
| beyond 6 months | - | - | - |
| Total | 6,465.46 | 4,126.59 | 10,035.59 |

(iv) Liquidity Risk

Liquidity risk is defined as the risk that the company will not be able to settle or meet its obligations on time, or at a reasonable price. The company's treasury department is responsible for liquidity, funding as well as settlement management. In addition, processes and policies related such risk are overseen by senior management. Management monitors the company's net liquidity position through rolling forecasts on the basis of expected cash flows.

The company had access to following undrawn Borrowing facilities at end of reporting period:

| | As at 31st March, 2018 | As at 31st March, 2017 | As at 1st April, 2016 |
|-------------------------------------------------------|---------------------------|---------------------------|--------------------------|
| Variable Borrowing -Cash Credit expires within 1 year | 2,380.79 | 3,161.97 | 863.93 |

(v) Capital risk management

The primary objective of the Company's capital management is to maximise the shareholder value. The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants.

The Company Monitors Capital on the basis of the following debt equity ratio:-

| Particulars | As at 31st March, 2018 | As at 31st March, 2017 | As at 1st April, 2016 |
|---------------------------------|---------------------------|---------------------------|--------------------------|
| Net Debt | 6,823.10 | 7,251.73 | 6,371.72 |
| Total Equity | 32,371.31 | 27,476.62 | 27,915.01 |
| Net Debt to Total Equity | 21.08% | 26.39% | 24.59% |

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS AS AT 31st March 2018**NOTES 27 FORMING PART OF FINANCIAL STATEMENTS AS AT 31st March 2018****1) First time adoption of Ind AS**

These financial statements are the Company's first standalone financial statements prepared in accordance with Ind AS based on the permissible options and exemptions available to the Company in terms of Ind AS 101 'First time adoption of Indian Accounting standards'. For periods up to and including the year ended on March 31, 2017, the Company prepared its financial statements in accordance with accounting standards notified under section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (previous GAAP).

Accordingly, the Company has prepared financial statements which comply with Ind AS applicable for periods ending on March 31, 2018, together with the comparative period data as at and for the year ended March 31, 2017, as described in the summary of significant accounting policies. In preparing these financial statements, the Company's opening balance sheet was prepared as at April 1, 2016, the Company's date of transition to Ind AS. This note explains the principal adjustments made by the Company in restating its previous GAAP financial statements, including the balance sheet as at April 1, 2016 and the financial statements as at and for the year ended March 31, 2017.

1.1 Optional exemptions availed**i) Fair value measurement of financial assets or financial liabilities at Initial Recognition**

Company has elected to apply requirement in paragraph B5.1.2A of Ind AS 109 prospectively to transactions entered into on or after the date of transition to Ind ASs.

ii) Deemed Cost

The Company has elected to measure all its intangible assets at the previous GAAP carrying amount as its deemed cost on the date of transition to Ind AS.

1.2 Applicable mandatory exceptions**i) Estimates**

The estimates at April 1, 2016 and at March 31, 2017 are consistent with those made for the same dates in accordance with previous GAAP (after adjustments to reflect any differences in accounting policies, if any) apart from the following items where application of previous GAAP did not require estimation: FVTPL investments FVTOCI – debt securities Impairment of financial assets based on expected credit loss model

ii) Classification and measurement of financial assets

As required under Ind AS 101, the classification of financial assets to be measured at amortised cost or fair value through other comprehensive income is made on the basis of the facts and circumstances that existed on the date of transition to Ind AS.

- 2) The amounts in the Balance Sheet and Profit and Loss Account are rounded off to the nearest thousand and indicated in lacs of rupees.
- 3) Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosure.
- 4) The Company has constituted a Corporate Social Responsibility (CSR) Committee and has framed a CSR Policy. The brief details of CSR Committee are provided in the Corporate Governance Report. The Annual Report on CSR activities is annexed to this Report.
- 5) The Ministry of Corporate Affairs, Government of India, vide General Circular No.2 and 3 dated February 8, 2011 and February 21, 2011 respectively has granted a general exemption from compliance under Companies Act 2013, subject to fulfillment of conditions stipulated in the circular. The Company has satisfied the conditions stipulated in the circular and hence is entitled to the exemption. Necessary information relating to the subsidiaries has been included in the annexure to the Consolidated Financial Statements.
- 6) Company has not received any intimation from the suppliers regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 and hence disclosures, if any, relating to amounts unpaid as at the year end together with interest paid / payable as required under the said Act have not been given.
- 7) In terms of AS 108 Segment reporting prescribed under sec 133 of companies act 2013, segment information has been appended in the Consolidated Financial Statements (CFS).
- 8) No commission (Previous Year Rs. NIL) has been paid to the Managing Director / Dy. Managing Director for the year under review in view of resolution passed by the Board of directors and as agreed by the Managing Director.

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS AS AT 31st March 2018
9) Director's Remuneration :

| Particulars | (Rs./Lacs) | |
|----------------------------------------------|--------------|--------------|
| | 2017-18 | 2016-17 |
| i.) Salary | 34.83 | 34.83 |
| ii.) Contribution to Provident & other Funds | 1.55 | 1.55 |
| iii.) Other Perquisites | 11.6 | 11.6 |
| Total: | 47.98 | 47.98 |

10) Related Party Disclosures as per Indian Accounting Standard

List of Related Parties with whom transactions have taken place during the year

(i) List of Related party and their relationships:

| Sr No | Name of the Related Party |
|----------|----------------------------------------------------|
| a | Subsidiary company |
| 1 | Metrochem Capital Trust Limited |
| 2 | Tejendra Developers Pvt. Ltd. |
| b | Other Related /Associated companies |
| 1 | Anil Dyechem Industries Pvt. Ltd |
| 2 | Harvest Tradelink Pvt.Ltd. |
| 3 | Maiden Tradefin Pvt. Ltd. |
| 4 | DK Metro Procon Private Limited |
| 5 | Dual Metals Pvt Ltd. |
| 6 | Rian Chemicals Pvt.Ltd. |
| c | Entity over which Company has joint control |
| 1 | Ganesh Infrastructure |
| 2 | PMZ Developers |
| 3 | Keshvaji Developers |
| 4 | Metro Apptech LLP |
| 5 | Myspace Infracon LLP |
| 6 | Metro Samved Engineers |
| d | Key Managerial Personnel |
| 1 | Shri Gautam M. Jain |
| 2 | Shri Rahul Jain |
| 3 | Mrs. Krati Rahul Jain |

(ii) Details of transactions with related parties & Balance Outstanding as at the year end: (Rs. In Lacs)

| Sr. No. | Nature of Transactions | Subsidiaries | Associates | Key Mgt. Companies | Relative Personnel Management Personnel | Total of key |
|---------|----------------------------------------------------|---------------|-----------------|--------------------|-----------------------------------------|-----------------|
| 1 | Remuneration/sitting fees | - | - | 47.98 | - | 47.98 |
| 2 | Lease Rent/ Shed Rent paid | - | - | 2.64 | - | 2.64 |
| 3 | Purchase of land | - | - | 431.61 | - | 431.61 |
| 4 | Interest expenses on intercorporate deposits taken | 18.76 | 235.89 | 23.09 | - | 277.74 |
| 5 | Outstanding intercorporate deposits payable | 249.34 | 2,501.79 | 926.34 | - | 3,677.47 |
| 6 | Investment in shares of associate companies | - | 8.82 | - | - | 8.82 |
| 7 | Interest receivable | - | 104.85 | - | - | 104.85 |
| 8 | Outstanding loans receivable | - | 879.43 | - | - | 879.43 |
| | Total | 268.10 | 3,730.78 | 1,431.66 | - | 5,430.54 |

Notes :

- No amounts in respect of related parties have been written off/written back/provided for during the year.
- Related party relationships have been identified by the management and relied upon by the auditors.

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS AS AT 31st March 2018
11) DISCLOSURE PURSUANT TO IND AS - 19 “EMPLOYEE BENEFITS”

- i) **Gratuity:** In accordance with the applicable laws, the Company provides for gratuity, a defined benefit retirement plan (“The Gratuity Plan”) covering eligible employees. The Gratuity Plan provides for a lump sum payment to vested employees on retirement (subject to completion of five years of continuous employment), death, incapacitation or termination of employment that are based on last drawn salary and tenure of employment. Liabilities with regard to the Gratuity Plan are determined by actuarial valuation on the reporting date and the Company makes annual contribution to the gratuity fund administered by Reliance Nippon Life Insurance Company Limited and Future Generali life Insurance Company Limited under Group Gratuity Scheme.

The disclosure in respect of the defined Gratuity Plan are given below:

A. Balance Sheet
Defined benefit plans

(Amount In Rs.)

| | As at 31st March, 2018 | As at 31st March, 2017 | As at 1st April, 2016 |
|-------------------------------------|---------------------------|---------------------------|--------------------------|
| Present value of plan liabilities | 3,596,673 | 3,198,189 | 2,694,689 |
| Fair value of plan assets | 3,311,673 | 3,083,189 | 2,657,484 |
| Asset/(Liability) recognised | (285,000) | (115,000) | (37,205) |

B. Movements in plan assets and plan liabilities

(Amount In Rs.)

| | Present value of obligations | Fair Value of Plan assets |
|--------------------------------------------------------------------------------|------------------------------------|---------------------------------|
| As at 1st April 2017 | 3,198,189 | 3,083,189 |
| Current service cost | 99,086 | - |
| Past service cost | - | - |
| Interest Cost/(Income) | 239,299 | - |
| Liability transferred in/ acquisition | | |
| Return on plan assets excluding amounts included in net finance income/cost | - | |
| Actuarial (gain)/loss arising from changes in demographic assumptions | | - |
| Actuarial (gain)/loss arising from changes in financial assumptions | 116,615 | - |
| Actuarial (gain)/loss arising from experience adjustments | (285,000) | - |
| Employer contributions | 228,484 | 228,484 |
| Benefit payments | | |
| As at 31st March 2018 | 3,596,673 | 3,311,673 |
| As at 1st April 2016 | 2,936,877 | 2,623,540 |
| Current service cost | 91,056 | - |
| Past service cost | - | - |
| Interest Cost/(Income) | 232,783 | 204,374 |
| Return on plan assets excluding amounts included in net finance income/cost | | |
| Actuarial (gain)/loss arising from changes in demographic assumptions | - | 32,841 |
| Actuarial (gain)/loss arising from changes in financial assumptions | - | |
| Actuarial (gain)/loss arising from experience adjustments | 52,790 | - |
| Employer contributions | - 115,317 | - |
| Benefit payments | - | 228,434 |
| As at 31st March 2017 | 3,198,189 | 3,083,189 |

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS AS AT 31st March 2018
C. Assumptions

With the objective of presenting the plan assets and plan liabilities of the defined benefits plans at their fair value on the balance sheet, assumptions under Ind AS 19 are set by reference to market conditions at the valuation date.

The significant actuarial assumptions were as follows:

| | As at 31st March, 2018 | As at 31st March, 2017 | As at 1st April, 2016 |
|-----------------------------------------------------------------|------------------------------------------------|------------------------------------------------|------------------------------------------------|
| Financial Assumptions | | | |
| Discount rate | 7.99% | 7.99% | 7.99% |
| Salary Escalation Rate | 5.00% | 5.00% | 5.00% |
| Expected Return on Plan Assets | 7.99% | 7.99% | 7.99% |
| Rate of Employee Turnover | 5.00% | 5.00% | 5.00% |
| Mortality Rate During Employment | Indian Assured Lives Mortality (2006-08) | Indian Assured Lives Mortality (2006-08) | Indian Assured Lives Mortality (2006-08) |
| Mortality Rate After Employment | N.A. | N.A. | N.A. |
| Demographic Assumptions | | | |
| Mortality in Service : Indian Assured Lives Mortality (2006-08) | | | |

D. The projected defined benefit obligations shall mature after year end 31st March, 2018 as follows:

| Year ending | (Amount In Rs.) | |
|-----------------------------|-----------------------------------|-----------|
| | Defined benefit obligation | |
| 31st March, 2018 | 1,929,165 | 1,837,338 |
| 31st March, 2019 | 83,518 | 72,838 |
| 31st March, 2020 | 83,540 | 76,089 |
| 31st March, 2021 | 353,234 | 76,780 |
| 31st March, 2022 | 67,482 | 317,802 |
| sum of years (2018 to 2022) | 693,976 | 673,508 |

E. Sensitivity Analysis

| Particulars | (Amount In Rs.) | |
|----------------------------------------------------------|---------------------------|---------------------------|
| | As at 31st March, 2018 | As at 31st March, 2017 |
| Projected Benefit Obligation on Current Assuptions | 3,596,676 | 3,198,189 |
| Delta Effect of + 1% Change in Rate of Discounting | (78,424) | (74,216) |
| Delta Effect of - 1% Change in Rate of Discounting | 84,970 | 82,970 |
| Delta Effect of + 1% Change in Rate of Salary Increase | 84,674 | 83,874 |
| Delta Effect of -1% Change in Rate of Salary Increase | (79,602) | (76,302) |
| Delta Effect of + 1% Change in Rate of Employee Turnover | 10,302 | 9,631 |
| Delta Effect of - 1% Change in Rate of Employee Turnover | (11,303) | (10,762) |

- 12) i) In the Opinion of the Management, any of the assets other than fixed assets and non-current investments have value on realization in the ordinary course of business at least equal to the amount at they are stated. The accounts of certain Trade Receivables, Trade Payables, Loans and Advances are however, subject to formal confirmations/reconciliations and consequent adjustments, if any. The management does not expect any material difference affecting the current year's financial statements on such reconciliation/adjustments.
- ii) Other expenses include bad debts of Rs 440.79 lacs out of which Rs 215.76 lacs is of trade receivables of Anil Limited who has mdae default in payment & legal proceedings are going on with the party and Rs225.03 lacs of loans and advances given to some parties for which amount is not realizable and hence written off as bad debts.
- iii) Land is initially recognised at cost During the year land has been revalued by independent professional valuer and revaluation amount is credited to revaluation reserve od RS 3114.62 lacs and carrying amounts of land arising from revaluation is increased by RS 3114.62 Lacs.
- iv) Rs.1.68 Lacs being net gain (Previous year Rs.54.40 Lacs being net gain) on account of exchange difference have been adjusted in the respective heads of account in the profit & loss account.

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS AS AT 31st March 2018

13) The Deferred Tax Assets and Liabilities for the year comprise of the following:

| Particulars | (Rs./Lacs) | | | |
|----------------|---------------------|-------------|----------------------|-------------|
| | As at March 31,2018 | | As at March 31, 2017 | |
| | Assets | Liabilities | Assets | Liabilities |
| Depreciation 0 | 46.07 | 0 | 46.07 | |

14) Auditors' Remuneration

(Rs. In Lacs)

| Particulars | 2017-18 | 2016-17 |
|------------------|-------------|-------------|
| Audit Fees | 6.00 | 6.00 |
| Service Tax /GST | 1.08 | 0.93 |
| Total | 7.08 | 6.93 |

15) Calculation of Earning Per Share (EPS):

Numerator:

| | | | |
|-----------------------------------------------------------|----|----------|----------|
| Profit after tax | | 1,780.07 | 1,561.61 |
| Denominator: Weighted Average Equity Shares (No.) in Lacs | | 163.267 | 163.267 |
| Face Value | 10 | 10 | |
| Basic and Diluted Earning Per Share | | 10.90 | 9.56 |

16) (i) Contingent liabilities not provided for in respect of

(Rs. In Lacs)

| Particulars | As at 31st March, 2018 | As at 31st March, 2017 | As at 1st April, 2016 |
|-------------------------------------------------------------|------------------------|------------------------|-----------------------|
| Income Tax | 386.11 | 169.62 | 169.62 |
| VAT/Sales Tax | - | 53.09 | 53.09 |
| Excise Duty (Interest thereon not ascertainable at present) | 196.24 | 196.24 | 196.24 |

Others

During 1993, the Company had imported plant and machinery under Export Promotion Capital Goods Scheme ('EPCG') at concessional rate of custom duty against export obligation under the said Scheme. As the Company could complete only partial Export obligation, it has received a notice of demand from Directorate General of Foreign Trade ('DGFT'). The Company has paid the entire differential duty amount for Rs.94,68,900 on 10.05.2011 and has made necessary submissions before the authorities. In view of this submission and pending decision of forum, interest liability is not ascertainable.

The company's pending litigation comprises mainly claims against the Company, proceedings pending with tax & other Authorities. The Company has reviewed all its pending litigations and proceedings and has made adequate provisions, wherever required and disclosed the contingent liabilities, wherever applicable, in its financial statements. The Company does not reasonable expect the outcome of these proceedings to have a material impact on its financial statements. Future cash outflow in respect of the above are determinable only on receipts of judgments/decisions pending with various forums/authorities.

Huntsman International (India) Private Limited, Mumbai has filed arbitration case against the Company for alleged violation of representations and warranties as per the Master Agreement. The above said arbitration proceedings are pending before Arbitration Tribunal.

(ii) Commitment

Operating Lease:

The Company has acquired certain Building/Office Premises under lease arrangement. The future lease payment committed is as under:

| Particulars | (Rs. In lacs) | | |
|-----------------|------------------------|------------------------|-----------------------|
| | As at 31st March, 2018 | As at 31st March, 2017 | As at 1st April, 2016 |
| Within one year | 2.64 | 2.64 | 2.64 |

(iii) Capital Commitment: **Rs. NIL**(Previous Year **Rs. NIL**)

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS AS AT 31st March 2018
17) Other Additional Information
a) Raw Materials Consumption

| | Year Ended 31-03-2018 | | Year Ended 31-03-2017 | |
|------------------------------------|-----------------------|-------------------|-----------------------|-------------------|
| | Qty. (Mts) | Value Rs./Lacs | Qty. (Mts) | Value Rs./Lacs |
| RAW MATERIAL | | | | |
| Items | - | - | - | - |
| Total Raw Material Consumed | - | - | - | - |

b) Value of Imports on CIF Basis

| Particulars | Rs./Lacs | |
|---------------|--------------------------|--------------------------|
| | Year Ended 31-03-2018 | Year Ended 31-03-2017 |
| Raw Material | - | - |
| Capital Goods | - | - |
| Traded goods | 189.58 | 2179.88 |

c) Consumption of Raw Materials

| | Year Ended 31-03-2018 | | Year Ended 31-03-2017 | |
|------------------------------------------|-----------------------|---|-----------------------|---|
| | (Rs./Lacs) | % | (Rs./Lacs) | % |
| Imported (including Import Duty content) | - | - | - | - |
| Indigenous | - | - | - | - |
| Total | - | - | - | - |

d) Expenditure in Foreign Currency incurred during the year

| Particulars | Year Ended 31-03-2018 | Year Ended 31-03-2017 |
|-----------------------------|--------------------------|--------------------------|
| Foreign Bank Charges | - | - |
| Foreign Travelling Expenses | 28.65 | 5.69 |

e) Earning in Foreign Currency during the year.

| | | |
|----------------------------|-----|-----|
| Direct Exports (FOB Value) | NIL | NIL |
|----------------------------|-----|-----|

As per our report of even date
For AMPAC & ASSOCIATES,
Chartered Accountants

Piyush B. Sheth
Partner
Membership No.: 44062
FRN : 112236W

Ahmedabad
May 30, 2018

Nitin S. Shah
Company Secretary

For & on behalf of the Board

Gautam M. Jain Chairman & Managing Director
(DIN No: 00160167)

Sandeep S. Bhandari Director
(DIN No: 01379445)

Rahul G. Jain Executive Director
(DIN No:01813781)

Ahmedabad
May 30, 2018

Form AOC-1

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures
Part "A": Subsidiaries

(Information in respect of each subsidiary to be presented with amounts in `)

| Sl. No. | Particulars | Details |
|---------|-----------------------------------------------------------------------------------------------------------------------------|------------------------------------------------|
| 1. | Name of the subsidiary | METROCHEM CAPITAL TRUST LIMITED |
| 2. | Reporting period for the subsidiary concerned, if different from the holding company's reporting period | Same as Holding Company April to March-2018 |
| 3. | Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries | INR (` in lacs) |
| 4. | Share capital | 181.50 |
| 5. | Reserves & surplus | 98.50 |
| 6. | Total assets | 280.88 |
| 7. | Total Liabilities | 280.88 |
| 8. | Investments | 13.75 |
| 9. | Turnover | 18.76 |
| 10. | Profit / (Loss) before taxation | 16.42 |
| 11. | Provision for tax of earlier years | Nil |
| 12. | Profit / (Loss) after taxation | 16.42 |
| 13. | Proposed Dividend | 0.00 |
| 14. | % of shareholding | 70% |

For & on behalf of the Board

Gautam M. Jain Chairman & Managing Director
(DIN No: 00160167)

Sandeep S. Bhandari Director
(DIN No: 01379445)

Rahul G. Jain Executive Director
(DIN No:01813781)

Ahmedabad
May 30, 2018

Nitin S. Shah
Company Secretary

INDEPENDENT AUDITORS' REPORT

To,
The Members of
M/s. MetroGlobal Limited
101, 1ST FLOOR, MANGAL DISHA,
NR. GURUGANGESHWAR TEMPLE, 6TH ROAD, KHAR (WEST),
MUMBAI-400052. Maharashtra

Dear Sirs

REPORT ON THE CONSOLIDATED IND AS FINANCIAL STATEMENTS

1. We have audited the accompanying consolidated Ind AS financial statements of METROGLOBAL LIMITED and its one subsidiary (i.e. METROCHEM CAPITAL TRUST LIMITED together referred to as "the Group"), which comprise consolidated Balance Sheet as at March 31, 2018, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), consolidated cash flow statement and the Statement of Changes in Equity for the year then ended and notes to the consolidated financial statements including and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Ind AS financial statements

2. The Respective Board of Directors of the Holding Company and its subsidiary company which are companies incorporated in India, are responsible for preparation of these Consolidated Ind AS financial statements that give a true and fair view of the state of affairs (financial position), profit or loss (financial performance including other comprehensive income), cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities, selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Consolidated Ind AS financial statements, that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

3. Our responsibility is to express an opinion on these consolidated Ind AS financial statements based on our audit.
4. We have taken into account the provisions of the Act and the Rules made thereunder including the accounting standards, auditing standards and matters which are required to be included in the audit report.
5. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those Standards and pronouncements require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether these Consolidated Ind AS financial statements are free from material misstatement.
6. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding company's preparation of the consolidated financial statements that give a true and fair view, in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the holding company has in place an adequate internal financial control system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Holding company's Directors, as well as evaluating the overall presentation of the consolidated financial statements.
7. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the consolidated Ind AS financial statements.

Opinion

8. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Consolidated Ind AS 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 including the Ind AS specified under Section 133 of the Act, of the state of affairs (financial position) of the Company as at 31st March, 2018, its profit (financial performance including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

Other Matter

The Company had prepared separate sets of statutory consolidated financial statements for the year ended 31st March, 2017 and 31st March, 2016 in accordance with the Accounting Standards prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended). These consolidated financial statements have been adjusted for the differences in the accounting principles adopted by the Company on transition to Ind AS.

We did not audit the financial statements of Metrochem Capital Trust Limited whose financial statements have been audited by other auditors whose report has been furnished to us. Our opinion is based solely on the report of such other auditors.

Our opinion is not modified in respect of this matter.

Report on Other Legal and Regulatory Requirements

9. As required by 'the Companies (Auditor's Report) Order, 2016', issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act (hereinafter referred to as the "Order"), a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable .
10. 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 purpose of our audit of the aforesaid consolidated financial statements.
 - b. In our opinion, proper books of account as required by law have been kept by the companies included in the Group, so far as it appears from the examination of those books.
 - c. The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant financial statements adopted and related working statements maintained for the purpose of preparation of the consolidated financial statements.
 - d. In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - e. On the basis of the written representations received from the directors of the Holding Company as on March 31, 2018 taken on record by the Board of Directors of the Holding Company and our report as the auditor of its subsidiary, none of the directors of the companies in the Group is disqualified as on March 31, 2018 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 Group and the operating effectiveness of such controls, refer to our separate report in "Annexure A"; and
 - g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us and based on our report as the auditor of its subsidiary:
 - i. The companies in the Group do not have any pending litigations which would impact materially its financial position.
 - ii. The companies in the Group did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There has been no delay in transferring amounts, required to be transferred to the Investor Education and Protection Fund by companies in the Group which is so required to transfer.

For AMPAC & ASSOCIATES
Chartered Accountants

Mumbai
30th May, 2018

Piyush B. Sheth
(Partner)
Membership No.: 044062
FRN: 112236W

ANNEXURE “A” TO THE AUDITORS’ REPORT**Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)****Management’s Responsibility for Internal Financial Controls**

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

Auditors’ Responsibility

3. Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) and the Standards on Auditing deemed to be prescribed under section 143(10) of the Act 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 ICAI. 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.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company’s internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

6. 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 consolidated 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 consolidated 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 unauthorised acquisition, use, or disposition of the company’s assets that could have a material effect on the consolidated financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

7. Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may

occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

8. In our opinion the Holding Company and its subsidiary company, which are companies incorporated in India, have in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India

For AMPAC & ASSOCIATES
Chartered Accountants

Mumbai
30th May, 2018

Piyush B. Sheth
(Partner)
Membership No.: 044062
FRN: 112236W

CONSOLIDATED BALANCE SHEET AS AT 31st MARCH, 2018

| | | in Lacs | | |
|--------------------------------------|------|---------------------------|---------------------------|--------------------------|
| | Note | As at 31st March, 2018 | As at 31st March, 2017 | As at 1st April, 2016 |
| ASSETS | | | | |
| Non-Current assets | | | | |
| (a) Property, plant & equipment | 2 | 4,574.61 | 1,003.37 | 886.41 |
| (b) Capital Work-in-Progress | 3 | 1,724.15 | 1,517.31 | 1,423.09 |
| (c) Financial Assets | | | | |
| (i) Investments | 4 | 1,580.62 | 1,795.56 | 1,454.11 |
| (ii) Other Financial Assets | 4 | 15.84 | 15.84 | 19.08 |
| (d) Other Non-current assets | 5 | 6,021.62 | 7,337.57 | 8,002.10 |
| Total Non-Current assets | | 13,916.84 | 11,669.65 | 11,784.79 |
| Current assets | | | | |
| (a) Inventories | 6 | 1,829.08 | 1,500.14 | 1,079.40 |
| (b) Financial Assets | | | | |
| (i) Trade receivables | 7 | 6,465.46 | 4,126.59 | 10,041.50 |
| (ii) Cash and cash equivalents | 8 | 75.08 | 271.82 | 94.71 |
| (iii) Other bank balances | 9 | 7,338.61 | 5,143.74 | 5,134.23 |
| (c) Other Current assets | 10 | 14,095.55 | 14,925.30 | 12,932.88 |
| Total Current assets | | 29,803.78 | 25,967.59 | 29,282.72 |
| Total Assets | | 43,720.62 | 37,637.24 | 41,067.51 |
| EQUITY AND LIABILITIES | | | | |
| Equity | | | | |
| (a) Equity Share capital | 11 | 1,632.67 | 1,632.67 | 1,632.67 |
| (b) Other Equity | 11 | 30,606.32 | 25,698.28 | 24,340.99 |
| Minority Interest | | 298.34 | 295.25 | 239.80 |
| Total Equity | | 32,537.33 | 27,626.20 | 26,213.46 |
| Liabilities | | | | |
| Non-Current liabilities | | | | |
| Financial Liabilities | | | | |
| (i) Borrowings | 12 | 3,035.03 | 3,130.88 | 5,224.61 |
| (ii) Deferred tax liabilities (Net) | 13 | 46.07 | 46.07 | 46.07 |
| Total non-current liabilities | | 3,081.10 | 3,176.95 | 5,270.68 |
| Current Liabilities | | | | |
| (a) Financial Liabilities | | | | |
| (i) Borrowings | 14 | 3,788.07 | 4,120.85 | 1,147.11 |
| (ii) Trade payables | 15 | 3,914.84 | 2,379.27 | 8,131.99 |
| (iii) Other Financial Liabilities | 16 | 374.51 | 247.14 | 232.95 |
| (b) Other Current liabilities | 17 | 13.60 | 74.62 | 59.37 |
| (c) Provisions | 18 | 11.17 | 12.21 | 11.95 |
| Total current liabilities | | 8,102.19 | 6,834.09 | 9,583.37 |
| Total Equity and Liabilities | | 43,720.62 | 37,637.24 | 41,067.51 |

See accompanying notes to the financial statements 1

The accompanying notes are an integral part of the financial statements

As per our report of even date
For AMPAC & ASSOCIATES,
Chartered Accountants

Piyush B. Sheth
Partner
Membership No.: 44062
FRN : 112236W

Ahmedabad
May 30, 2018

Nitin S. Shah
Company Secretary

For & on behalf of the Board

Gautam M. Jain Chairman & Managing Director
(DIN No: 00160167)

Sandeep S. Bhandari Director
(DIN No: 01379445)

Rahul G. Jain Executive Director
(DIN No:01813781)

Ahmedabad
May 30, 2018

CONSOLIDATED STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31st MARCH, 2018

| | Note No | For the year ended 31st March, 2018 in Lacs | For the year ended 31st March, 2017 in Lacs |
|-----------------------------------------------------------------------------|---------|------------------------------------------------------|------------------------------------------------------|
| I. Revenue from operations | 19 | 32,795.70 | 35,077.63 |
| II. Other Income | 20 | 1,098.20 | 154.96 |
| III. Total Revenue (I +II) | | 33,893.90 | 35,232.59 |
| IV. Expenses: | | | |
| Purchase of Stock-in-Trade | | 30,807.32 | 32,975.62 |
| (Increase)/Decrease in Finished goods, Work In Progress & Stock in Trade | 21 | (328.93) | (295.59) |
| Employee benefit expense | 22 | 112.72 | 114.14 |
| Financial costs | 23 | 154.35 | 118.26 |
| Depreciation and amortization expense | | 18.09 | 12.55 |
| Other expenses | 24 | 793.35 | 538.22 |
| IV. Total Expenses | | 31,556.90 | 33,463.24 |
| V. Profit/(Loss) before tax | | 2,337.00 | 1,769.35 |
| VI. Tax expense: | | | |
| (1) Current tax | | 550.00 | 400.00 |
| (2) Deferred tax asset/(liability) written off | | - | - |
| (3) Earlier year excess(-)/short(+) provisions for tax | | - | 18.40 |
| | | 550.00 | 418.40 |
| VII. Profit/(Loss) after Tax | (V-VI) | 1,787.00 | 1,350.95 |
| Other Comprehensive Income /-loss (Net of Tax) | | | |
| i) Re-measurement of net defined benefit liability (net off tax) | | (2.80) | (1.15) |
| ii) Equity instruments through other comprehensive income (net off tax) | | 12.30 | 60.80 |
| VIII.Total Comprehensive Income | | 1,796.50 | 1,410.60 |
| IX. Earning per equity share: | | | |
| (1) Basic | | 11.00 | 8.64 |
| (2) Diluted | | 11.00 | 8.64 |

Significant accounting policies

1

The accompanying notes are an integral part of the financial statements

| | | |
|-------------------------------------------------------------|--------------------------------------------------|-------------------------------------------|
| As per our report of even date | For & on behalf of the Board | |
| For AMPAC & ASSOCIATES, Chartered Accountants | Gautam M. Jain (DIN No: 00160167) | Chairman & Managing Director |
| Piyush B. Sheth Partner | Sandeep S. Bhandari (DIN No: 01379445) | Director |
| Membership No.: 44062 FRN : 112236W | Nitin S. Shah Company Secretary | Rahul G. Jain (DIN No:01813781) |
| Ahmedabad May 30, 2018 | Ahmedabad May 30, 2018 | Executive Director |

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2018

| | Year Ended March 31, 2018 (` in lacs) | | Year Ended March 31, 2017 (` in lacs) | |
|----------------------------------------------------|---------------------------------------------|-------------------|---------------------------------------------|-------------------|
| A. CASH FLOW FROM OPERATING ACTIVITIES | | | | |
| Net profit before taxation and extraordinary items | | 2,337.00 | | 1,769.35 |
| Add: Non-cash & Non-operating Expenses: | | | | |
| Depreciation | 18.09 | | 12.59 | |
| Amortization Expenses | 5.06 | | 6.41 | |
| Loss on Sale of Fixed Assets (Net) | 6.99 | | - | |
| Interest expenses | 154.35 | 184.49 | 118.26 | 137.26 |
| Less:- Non Operating Income | | | | |
| Profit on Sale of Investments (Net) | - 1,056.15 | | - 84.60 | |
| Dividend Income | - 28.06 | - 1,084.21 | - 3.64 | - 88.24 |
| Cash flow before Change in Working capital | | 1,437.28 | | 1,818.37 |
| Change in Working Capital | | | | |
| Current assets: | | | | |
| Increase in Inventory | - 328.94 | | - 420.74 | |
| Increase in Trade Receivables | - 2,338.87 | | 5,914.91 | |
| Decrease in other Current Assets | 829.75 | | - 2,156.48 | |
| Decrease in other non-current Assets | 1,321.10 | - 516.96 | 512.78 | 3,850.47 |
| Current liabilities: | | | | |
| Decrease in Short term borrowings | - 332.78 | | 2,973.74 | |
| Increase in trades Payables | 1,535.57 | | - 5,752.72 | |
| Increase in Other Financial Liability | 126.68 | | 13.50 | |
| Decrease in other Current liabilities | - 61.02 | | 15.25 | |
| Decrease in Short term provision | - 1.04 | 1,267.41 | 0.26 | - 2,749.97 |
| Cash flow before tax paid | | 2,187.13 | | 2,918.87 |
| Less: Tax paid | | 550.00 | | 43.28 |
| Cash flow Before extra-ordinary items | | 1,637.73 | | 2,875.59 |
| Add:- Cash flow from Extraordinary Items | | - | | - |
| Cash flow from Operating Activities (A) | | 1,637.73 | | 2,875.59 |
| (B) Cash flow from investing activities: | | | | |
| Dividend Income | 28.06 | | 3.64 | |
| Decrease in Investments | 1,271.09 | | - 256.85 | |
| Increase in Capital Work in Progress | - 206.84 | | - 94.22 | |
| Purchase of fixed assets | - 494.77 | | - 129.55 | |
| Sale of Fixed Assets | 13.06 | 610.60 | - | - 476.98 |
| Cash flow from Investing Activities (B) | | 610.60 | | - 476.98 |
| (C) Cash flow from financing activities: | | | | |
| Decrease in long-term borrowings | - 95.85 | | - 2,093.73 | |
| Interest paid | - 154.35 | - 250.20 | - 118.26 | - 2,211.99 |
| Cash flow from Financing Activities (C) | | - 250.20 | | - 2,211.99 |
| Total Cash Flow (A+B+C) | | 1,998.13 | | 186.62 |
| Add: Opening cash and cash equivalents | | 5,415.56 | | 5,228.94 |
| Closing Cash & Cash Equivalents | | 7,413.69 | | 5,415.56 |

The accompanying notes are an integral part of the financial statements

As per our report of even date
For AMPAC & ASSOCIATES,
Chartered Accountants

Piyush B. Sheth
Partner
Membership No.: 44062
FRN : 112236W

Ahmedabad
May 30, 2018

Nitin S. Shah
Company Secretary

For & on behalf of the Board

Gautam M. Jain Chairman & Managing Director
(DIN No: 00160167)

Sandeep S. Bhandari Director
(DIN No: 01379445)

Rahul G. Jain Executive Director
(DIN No:01813781)

Ahmedabad
May 30, 2018

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018
NOTE NO. 1 : SHARE CAPITAL
a)

| Particulars | As at 31st March 2018 | | As at 31st March 2017 | | As at 1st April 2016 | |
|-------------------------------------------------------------------------------------------------------------|-----------------------|----------------------|-----------------------|----------------------|----------------------|----------------------|
| | Number | Rs. | Number | Rs. | Number | Rs. |
| Authorized | | | | | | |
| Equity Shares of Rs. 10/- each | 95,000,000 | 950,000,000 | 95,000,000 | 950,000,000 | 95,000,000 | 950,000,000 |
| Cumulative/Non-Cumulative, Redeemable, Convertible/Non-convertible Preference Shares of Rs. 10/- each | 25,000,000 | 250,000,000 | 25,000,000 | 250,000,000 | 25,000,000 | 250,000,000 |
| | 120,000,000 | 1,200,000,000 | 120,000,000 | 1,200,000,000 | 120,000,000 | 1,200,000,000 |
| Issued, Subscribed & Paid - up | | | | | | |
| Equity Shares of Rs. 10/- each | 16,326,742 | 163,267,420 | 16,326,742 | 163,267,420 | 16,326,742 | 163,267,420 |
| TOTAL | 16,326,742 | 163,267,420 | 16,326,742 | 163,267,420 | 16,326,742 | 163,267,420 |

b) Rights of Equity Shareholders

The Company has only one class of Equity Shares having par value of Rs.10.each, holder of equity shares is entitled to one vote per share.

c) Reconciliation of numbers of equity shares

| | | | | | | |
|-------------------------------------------------|-------------------|--------------------|-------------------|--------------------|-------------------|--------------------|
| Shares outstanding at the beginning of the year | 16,326,742 | 163,267,420 | 16,326,742 | 163,267,420 | 16,326,742 | 163,267,420 |
| Shares issued during the year | - | - | - | - | - | - |
| Shares bought back during the year | - | - | - | - | - | - |
| Shares outstanding at the end of the year | 16,326,742 | 163,267,420 | 16,326,742 | 163,267,420 | 16,326,742 | 163,267,420 |

d) In the preceding five years, the Company had not bought back, issued shares for consideration other than cash and bonus shares.

e) Details of members holding equity shares more than 5%

| Name of Shareholder | As at 31st March 2018 | | As at 31st March 2017 | | As at 1st April 2016 | |
|---------------------------------|-----------------------|--------------|-----------------------|--------------|----------------------|--------------|
| | No. of Shares held | % of Holding | No. of Shares held | % of Holding | No. of Shares held | % of Holding |
| Gautam kumar Mithalal Jain | 1,061,959.00 | 6.50 | 1,025,413.00 | 6.28 | 3,125,413.00 | 19.14 |
| Maiden Tradefin Pvt Ltd | 4,525,251.00 | 27.72 | 4,525,251.00 | 27.72 | 1,678,052.00 | 10.28 |
| Search Invatrade Pvt Ltd | - | - | - | - | 984,360.00 | 6.03 |
| Anil Dyechem Industries Pvt Ltd | 2,871,176.00 | 17.59 | 2,871,176.00 | 17.59 | 1,771,176.00 | 10.85 |
| Megha Biotech Pvt Ltd | 2,705,667.00 | 16.57 | 2,705,667.00 | 16.57 | 2,705,667.00 | 16.57 |

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018**Note 1****1.1 Basis of Preparation**

Metroglobal Limited is a public limited company domiciled in India and earlier incorporated under the provisions of Companies Act, 1956 now governed by Companies Act 2013. Its Shares are listed and traded on BSE. Company is in the business of trading of speciality chemicals, dye intermediates, solvents, basic chemicals & mineral ore, textile fabric, Plastic granules etc.

Consolidated Financial Statements include the consolidated Balance Sheet, consolidated Statement of Profit and Loss, consolidated Cash Flow Statement and consolidated Statement of Changes in Equity of the Parent Company and its subsidiary company Metrochem Capital Trust Limited (MCTL) (hereinafter referred as the 'Group')

Principles of Consolidation

- a. The CFS relate to Metroglobal Limited and its subsidiary company Metrochem Capital Trust Limited (MCTL). The financial statements of the subsidiary used in consolidation are drawn/prepared for consolidation upto the same reporting date as the Company.

The consolidated statements are prepared on the following basis:

The financial statements of the subsidiary have been combined on line to line basis by adding together the book values of like items of assets, liabilities, incomes and expenses, after fully eliminating profits/losses, if any, as per Accounting Standard on "Consolidated Financial Statements" ("AS-21").

- b. The CFS are prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented in the same manner as the Company's standalone financial intra group balances and intra group transactions and the unrealised statements.

1.2 SIGNIFICANT ACCOUNTING POLICIES**Statement of Compliance with Ind AS.**

The Consolidated Financial Statements of the Company are prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 and the Companies (Indian Accounting Standards) (Amendment) Rules, 2016 notified under Section 133 of the Companies Act, 2013 (the "Act") and other relevant provisions of the Act.

The Company has adopted all the relevant Ind AS and the adoption was carried out in accordance with Ind AS 101, "First Time Adoption of Indian Accounting Standards". Accordingly, these Consolidated Financial Statements for the year ended 31st March, 2018 are the Company's First Ind AS Consolidated Financial Statements.

For all periods up to and including the year ended 31st March, 2017, the Company prepared its Consolidated Financial Statements in accordance with Indian Accounting Principles generally accepted in India including Accounting Standards notified under Section 133 of the Act read with paragraph 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP). Reconciliation and description of the effect of the transition have been summarised in Notes to financial statements.

The transition to Ind AS has resulted in changes in the presentation of the Financial Statements, disclosures in the notes thereto and accounting policies and principles.

These Consolidated Financial Statements of the Company as at and for the year ended 31st March, 2018 (including comparatives) were approved and authorised for issue by the Board of Directors of the Company on 30th May, 2018.

The Consolidated financial statements of the Company are prepared on historical cost basis except for the following assets and liabilities which have been measured at fair value:-

- Certain financial assets and liabilities (including Derivative Instruments)
- Defined Benefit and other Long term Employee Benefits,

1.3 CURRENT & NON-CURRENT CLASSIFICATION

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle (twelve months) and other criteria set out in the Schedule III to the Act.

1.4.1 USE OF ESTIMATES AND JUDGEMENTS

The estimates and judgments used in the preparation of the financial statements are continuously evaluated by the Company and are based on historical experience and various other assumptions and factors (including expectations of future events) that the Company believes to be reasonable under the existing circumstances. Differences between actual results and estimates are recognised in the period in which the results are known/materialized.

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018

The said estimates are based on the facts and events, that existed as at the reporting date, or that occurred after that date but provide additional evidence about conditions existing as at the reporting date

1.5 PROPERTY, PLANT AND EQUIPMENT**Property, Plant and Equipment**

All other items of property, plant and equipment except land are measured at cost less accumulated depreciation and impairment losses, if any. Costs include freight, import duties, non-refundable purchase taxes and other expenses directly attributable to the acquisition of the asset. Land is stated at fair value.

Depreciation/amortization:

Depreciation on fixed assets is provided on straight line method over the useful lives of assets specified in Schedule II of the Companies Act, 2013.

The management believes that the useful life as given above the best represent the period over which the management expects to use these assets. The Company reviews the useful life and residual value at each reporting date.

Depreciation on assets added/sold or discarded during the year is being provided on pro-rata basis up to the date on which such assets are added/sold or discarded.

1.6 IMPAIRMENT OF NON-FINANCIAL ASSETS

The Company assesses at each reporting date whether there is any objective evidence that a non-financial asset or a group of non-financial assets are impaired. If any such indication exists, the Company estimates the amount of impairment loss. For the purpose of assessing impairment, the smallest identifiable group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows from other assets or groups of assets is considered as a cash generating unit. If any such indication exists, an estimate of the recoverable amount of the individual asset/cash generating unit is made.

An impairment loss is calculated as the difference between an asset's carrying amount and recoverable amount. Losses are recognised in profit or loss. When the Company considers that there are no realistic prospects of recovery of the asset, the relevant amounts are written off. If the amount of impairment loss subsequently decreases and the decrease can be related objectively to an event occurring after the impairment was recognized, then the previously recognized impairment loss is reversed through profit or loss

1.7 REVENUE RECOGNITION

Revenue is recognized to the extent that it is probable that the economic benefit will flow to the Company and the revenue can be measured reliably.

Sale of goods:

Revenue from the sale of goods is recognized when the significant risks and rewards of ownership of the goods have been transferred to the buyer.

Revenue from sale of goods is net of taxes and recovery of charges collected from customers like transport, packing etc. Provision is made for returns when appropriate. Revenue is measured at the fair value of consideration received or receivable and is net of price discounts, Freight, allowance for volume rebates, and similar items.

Other Income

Interest income is recognized on a time proportionate basis taking into account the amounts invested and the rate of interest.

1.8 INVENTORIES

- (i) Inventories are valued at lower of cost and net realizable value. Raw material cost is computed on quarterly weighted average basis.
- (ii) Finished goods and Work-in-Process include estimated cost of conversion and other costs incurred in bringing the inventories to their present location and condition.
- (iii) Inventory of stores and spares, being not material, are charged to consumption on procurement.

1.9 FINANCIAL INSTRUMENTS**Financial assets - Initial recognition**

Financial assets are recognized when the Company becomes a party to the contractual provisions of the instruments. Financial assets other than trade receivables are initially recognized at fair value plus transaction costs for all financial assets not carried at fair value through profit or loss. Financial assets carried at fair value through profit or loss are initially recognized at fair value, and transaction costs are expensed in the Statement of Profit and Loss.

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018**Subsequent measurement**

Financial assets, other than equity instruments, are subsequently measured at amortized cost, fair value through other comprehensive income or fair value through profit or loss on the basis of both:

- (a) The entity's business model for managing the financial assets and
- (b) The Contractual cash flow characteristics of the financial asset.

(a) Measured at amortised cost:

A financial asset is measured at amortized cost, if it is held under the hold to collect business model i.e. held with an objective of holding the assets to collect contractual cash flows and the contractual cash flows are solely payments of principal and interest on the principal outstanding. Amortized cost is calculated using the effective interest rate ("EIR") method by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included in interest income in the Statement of Profit and Loss. The losses arising from impairment are recognized in the Statement of Profit and Loss. On derecognition, gain or loss, if any, is recognised to Statement of Profit and Loss.

(b) Measured at fair value through other comprehensive income

A financial asset is measured at FVOCI, if it is held under the hold to collect and sell business model i.e. held with an objective to collect contractual cash flows and selling such financial asset and the contractual cash flows are solely payments of principal and interest on the principal outstanding. It is subsequently measured at fair value with fair value movements recognised in the OCI, except for interest income which recognised using EIR method. The losses arising from impairment are recognised in the Statement of Profit and Loss. On derecognition, cumulative gain or loss previously recognised in the OCI is reclassified from the equity to Statement of Profit and Loss.

(c) Measured at fair value through profit or loss

Investment in financial asset other than equity instrument, not measured at either amortised cost or FVOCI is measured at FVTPL. Such financial assets are measured at fair value with all changes in fair value, including interest income and dividend income if any, recognised in the Statement of Profit and Loss.

Financial Liabilities**Initial Recognition and measurement**

Financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instruments. Financial liabilities are initially recognised at fair value net of transaction costs for all financial liabilities not carried at fair value through profit or loss.

The Company's financial liabilities includes trade and other payables, loans and borrowings including bank overdrafts and derivative instruments.

Subsequent measurement

Financial liabilities measured at amortised cost are subsequently measured at using EIR method. Financial liabilities carried at fair value through profit or loss are measured at fair value with all changes in fair value recognised in the Statement of Profit and Loss.

Loans & Borrowings:

After initial recognition, interest bearing loans and borrowings are subsequently measured at amortised cost using EIR method. Gains and losses are recognized in profit & loss when the liabilities are derecognized as well as through EIR amortization process.

Financial Guarantee Contracts

Financial guarantee contracts issued by the Company are those contracts that requires a payment to be made or to reimburse the holder for a loss it incurs because the specified debtors fails to make payment when due in accordance with the term of a debt instrument. Financial guarantee contracts are recognized initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee.

Subsequently the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognized less cumulative adjustments.

Derivative financial instruments

The Company uses derivative financial instruments, such as forward foreign exchange contracts, to hedge its foreign currency risks. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently remeasured at fair value, with changes in fair value recognised in Statement of Profit and Loss.

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018**1.10 FAIR VALUE MEASUREMENT:**

The Company measures financial instruments, such as, derivatives at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or or settle a liability in an ordinary transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or settle a liability takes place either:

- ü In the principal market for the asset or liability, or
- ü In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) prices in active markets for identical assets or liabilities.
- Level 2 — other techniques for which all input which have a significant effect on the recorded fair value are observable, either directly or indirectly.
- Level 3 — Inputs which are not based on observable market data

1.11 EMPLOYEE BENEFITS

The Company has provides following post-employment plans:

- (a) Defined benefit plans such a gratuity and
- (b) Defined contribution plans such as Provident fund & ESIC

a) Defined-benefit plan:

The liability or asset recognised in the balance sheet in respect of defined benefit plan is the present value of defined benefit obligations at the end of the reporting period less fair value of plan assets. The defined benefit obligations is calculated annually by actuaries through actuarial valuation using the projected unit credit method.

The Company recognises the following changes in the net defined benefit obligation as an expense in the statement of profit and loss:

- (a) Service costs comprising current service costs, past-service costs, gains and losses on curtailment and non-routine settlements; and
- (b) Net interest expense or income

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and fair value of plan assets. This cost is included in employee benefit expenses in the statement of the profit & loss.

Re-measurement comprising of actuarial gains and losses arising from

- (a) Re-measurement of Actuarial(gains)/losses
- (b) Return on plan assets, excluding amount recognized in effect of asset ceiling
- (c) Re-measurement arising because of change in effect of asset ceiling

are recognised in the period in which they occur directly in Other comprehensive income. Re-measurement are not reclassified to profit or loss in subsequent periods.

Ind AS 19 requires the exercise of judgment in relation to various assumptions including future pay rises, inflation and discount rates and employee and pensioner demographics. The Company determines the assumptions in conjunction with its actuaries, and believes these assumptions to be in line with best practice, but the application of different assumptions could have a significant effect on the amounts reflected in the income statement, other comprehensive income and balance sheet. There may be also interdependency between some of the assumptions.

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018**b) Defined-contribution plan:**

Under defined contribution plans, provident fund, the Company pays pre-defined amounts to separate funds and does not have any legal or informal obligation to pay additional sums. Defined Contribution plan comprise of contributions to the employees' provident fund with the government, superannuation fund and certain state plans like Employees' State Insurance and Employees' Pension Scheme. The Company's payments to the defined contribution plans are recognised as expenses during the period in which the employees perform the services that the payment covers.

c) Other employee benefits:

(a) Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related services are recognised as a liability at the present value of the obligation as at the Balance sheet date determined based on an actuarial valuation.

(b) Undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognised during the period when the employee renders the related services.

1.12 LEASES

A lease is classified at the inception date as a finance lease or an operating lease. Leases under which the Company assumes substantially all the risks and rewards of ownership are classified as finance leases. When acquired, such assets are capitalized at fair value or present value of the minimum lease payments at the inception of the lease, whichever is lower. Lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognised in finance costs in the statement of profit and loss

Other leases are treated as operating leases, with payments are recognised as expense in the statement of profit & loss on a straight-line basis over the lease term.

1.13 FOREIGN CURRENCY TRANSACTIONS**a) Initial Recognition**

Transactions in foreign currency are recorded at the exchange rate prevailing on the date of the transaction. Exchange differences arising on foreign exchange transactions settled during the year are recognized in the Statement of Profit and Loss of the year.

b) Measurement of Foreign Currency Items at the Balance Sheet Date

Foreign currency monetary items of the Company are restated at the closing exchange rates. Non-monetary items are recorded at the exchange rate prevailing on the date of the transaction. Exchange differences arising out of these transactions are charged to the Statement of Profit and Loss.

1.14.1 TAX EXPENSES

The tax expense for the period comprises current and deferred tax. Tax is recognised in Statement of Profit and Loss, except to the extent that it relates to items recognised in the comprehensive income or in equity. In which case, the tax is also recognised in other comprehensive income or equity

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, based on tax rates and laws that are enacted or substantively enacted at the Balance sheet date

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The carrying amount of Deferred tax liabilities and assets are reviewed at the end of each reporting period.

1.15 PROVISIONS AND CONTINGENCIES

A provision is recognised if, as a result of a past event, the group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation.

Provisions for onerous contracts are recognized when the expected benefits to be derived by the Company from a contract are lower than the unavoidable costs of meeting the future obligations under the contract.

A disclosure for contingent liabilities is made where there is a possible obligation or a present obligation that may probably not require an outflow of resources or an obligation for which the future outcome cannot be ascertained with reasonable certainty. When there is a possible or a present obligation where the likelihood of outflow of resources is remote, no provision or disclosure is made.

1.16 CASH AND CASH EQUIVALENTS

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

1.17 CASH FLOW STATEMENT

Cash flows are reported using the indirect method where by the profit before tax is adjusted for the effect of the transactions of a non-cash nature, any deferrals or accruals of past and future operating cash receipts or payments and items of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the company are segregated.

1.18 BORROWING COST

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of qualifying assets are capitalized as a part of Cost of that assets, during the period till all the activities necessary to prepare the Qualifying assets for its intended use or sale are complete during the period of time that is required to complete and prepare the assets for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

Other borrowing costs are recognized as an expense in the period in which they are incurred.

1.19 EARNINGS PER SHARE

Basic EPS is arrived at based on net profit after tax available to equity shareholders to the weighted average number of equity shares outstanding during the year.

The diluted EPS is calculated on the same basis as basic EPS, after adjusting for the effects of potential dilutive equity shares unless impact is anti-dilutive.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS AS AT 31st March 2018

(Rs in Lacs)

NOTE - 2: Property, Plant and Equipment

| | Land | Factory Buildings | Office Buildings | Electric Installation | Laboratory Equipments | Furniture and Fixture | Vehicles | Office Equipments | Total |
|--------------------------------------------------|----------|-------------------|------------------|-----------------------|-----------------------|-----------------------|----------|-------------------|----------|
| Gross carrying value | | | | | | | | | |
| Balance as at 1st April 2016 | 518.19 | 231.25 | 131.75 | 100.90 | 188.25 | 86.73 | 337.37 | 173.14 | 1,767.58 |
| Additions | 27.22 | - | - | - | - | - | 99.00 | 3.33 | 129.55 |
| Deductions/ Adjustment | - | - | - | - | - | - | - | - | - |
| Balance as at 31st March 2017 | 545.41 | 231.25 | 131.75 | 100.90 | 188.25 | 86.73 | 436.37 | 176.47 | 1,897.13 |
| Accumulated depreciation | | | | | | | | | |
| Balance as at 1st April 2016 | - | 169.92 | 64.34 | 99.04 | 188.00 | 57.51 | 160.53 | 141.83 | 881.17 |
| Additions | - | 2.98 | 1.08 | 0.62 | 0.08 | 0.42 | 1.28 | 6.13 | 12.59 |
| Deductions/ Adjustment | - | - | - | - | - | - | - | - | - |
| Balance as at 31st March 2017 | - | 172.90 | 65.42 | 99.66 | 188.08 | 57.93 | 161.81 | 147.96 | 893.76 |
| Net carrying amount as at 1st April 2016 | 518.19 | 61.33 | 67.41 | 1.86 | 0.25 | 29.22 | 176.84 | 31.31 | 886.41 |
| Net carrying amount as at 31st March 2017 | 545.41 | 58.35 | 66.33 | 1.24 | 0.17 | 28.80 | 274.56 | 28.51 | 1,003.37 |
| Gross Block | | | | | | | | | |
| Balance as at 1st April 2017 | 545.41 | 231.25 | 131.75 | 100.90 | 188.25 | 86.73 | 436.37 | 176.47 | 1,897.13 |
| Additions | 431.61 | - | - | - | - | - | 60.13 | 3.03 | 494.77 |
| revaluation* | 3,114.62 | - | - | - | - | - | - | - | 3,114.62 |
| Deductions/ Adjustment | - | - | - | - | - | - | (75.11) | - | (75.11) |
| Balance as at 31st March 2018 | 4,091.64 | 231.25 | 131.75 | 100.90 | 188.25 | 86.73 | 421.39 | 179.50 | 5,431.41 |
| Accumulated Depreciation | | | | | | | | | |
| Balance as at 1st April 2017 | - | 172.90 | 65.42 | 99.66 | 188.08 | 57.93 | 161.81 | 147.96 | 893.76 |
| Additions | - | 3.07 | - | 0.09 | 0.01 | 1.82 | 11.08 | 2.02 | 18.09 |
| Deductions/ Adjustment | - | - | - | - | - | - | (55.05) | - | (55.05) |
| Balance as at 31st March 2018 | - | 175.97 | 65.42 | 99.75 | 188.09 | 59.75 | 117.84 | 149.98 | 856.80 |
| Net carrying amount as at 31st March 2017 | 545.41 | 58.35 | 66.33 | 1.24 | 0.17 | 28.80 | 274.56 | 28.51 | 1,003.37 |
| Net carrying amount as at 31st March 2018 | 4,091.64 | 55.28 | 66.33 | 1.16 | 0.16 | 26.97 | 303.55 | 29.52 | 4,574.61 |

* Land is initially recognised at cost During the year land has been revalued by independent professional valuer and revaluation amount is credited to revaluation reserve of Rs. 3114.62 Lacs and carrying amounts of land arising from revaluation is increased by Rs. 3114.62 Lacs.

(Rs in Lacs)

| | As at 31st March, 2018 | As at 31st March, 2017 | As at 1st April, 2016 |
|-------------------------------------------|------------------------|------------------------|-----------------------|
| NOTE - 3: Capital Work-In-Progress | | | |
| Capital Work-In-Progress | 1,724.15 | 1,517.31 | 1,423.09 |
| Total | 1,724.15 | 1,517.31 | 1,423.09 |

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018
(Rs in Lacs)

| | As at 31st March, 2018 | As at 31st March, 2017 | As at 1st April, 2016 |
|----------------------------------------------------------------------------------------------------------------|---------------------------|---------------------------|--------------------------|
| NOTE - 4: FINANCIALS ASSETS | | | |
| i. INVESTMENTS | | | |
| <u>Unquoted</u> | | | |
| (a) Investment in Equity shares | | | |
| (i) In associate companies (At Cost) | | | |
| 170 (170) (170) Equity Shares of Anil Dyechem Ind. Pvt. Ltd. of Rs. 1000/- each fully paid up | 3.42 | 3.42 | 3.42 |
| NIL (17000) (17000) Equity Shares of Miraj Impex P.Ltd. Share A/c of of Rs. 10/- each fully paid up | - | 2.82 | 2.82 |
| 4500 (4500) (4500) Equity Shares of Dual Metals Pvt.Ltd. Share A/c of of Rs. 10/- each fully paid up | 0.45 | 0.45 | 0.45 |
| 4500 (4500) (4500) Equity Shares of D K Metro Procon Pvt.Ltd. Share A/c of of Rs. 10/- each fully paid up | 0.45 | 0.45 | 0.45 |
| 45000 (45000) (45000) Equity Shares of Rian Chemicals Pvt.Ltd. Share A/c of of Rs. 10/- each fully paid up | 4.50 | 4.50 | 4.50 |
| (iii) Other companies (At Fair Value) | | | |
| 200 (200) (200) Equity Shares of Green Environment Services Co-op Society Ltd. of Rs. 100/- each fully paid up | 0.20 | 0.20 | 0.20 |
| Aggregate amount of Unquoted Investments | 9.02 | 11.84 | 11.84 |
| <u>Quoted</u> | | | |
| (a) Shares of Listed Companies (At Fair Value) | 1061.56 | 1172.72 | 1063.69 |
| (b) Investment in debentures or bonds (At Fair Value) | 510.04 | 611.00 | 378.58 |
| Aggregate amount of Quoted Investments | 1,571.60 | 1,783.72 | 1,442.27 |
| TOTAL INVESTMENTS | 1,580.62 | 1,795.56 | 1,454.11 |
| ii. Deposits & Other financial assets | | | |
| (a) Security Deposits other than Government | 15.84 | 15.84 | 19.08 |
| Total | 15.84 | 15.84 | 19.08 |

NOTE - 5 : OTHER NON CURRENT ASSETS
Long Term Loans and advances to Related Parties

| | | | |
|---------------------------------------------------------------------------------------------------------|---------|---------|---------|
| a) Loans and advances to Partnership Firms in which the company is Partner (Unsecured, considered good) | 2091.15 | 2571.73 | 3338.04 |
| b) Loans and advances to company in which the company is a shareholder (Unsecured, considered good) | 831.49 | 1676.03 | 1440.17 |

Long Term Loans and advances to Suppliers, Contractors & others

| | | | |
|-------------------------------|-----------------|-----------------|-----------------|
| Secured, considered good | 2985.72 | 2736.35 | 2736.35 |
| Unsecured, considered good | 96.25 | 331.30 | 318.26 |
| considered doubtful | - | - | 289.30 |
| Less: Provision for bad debts | - | - | (146.67) |
| Sub-Total | 6,004.61 | 7,315.41 | 7,975.45 |
| Deferred Revenue Expenditure | 17.01 | 22.16 | 26.65 |
| Sub-Total | 17.01 | 22.16 | 26.65 |
| Total | 6,021.62 | 7,337.57 | 8,002.10 |

Current Assets
NOTE - 6 : INVENTORIES

| | | | |
|---------------------------------------------------------|-----------------|-----------------|-----------------|
| Stock in Trade : | | | |
| Traded Goods (at lower of cost or net realizable value) | 661.05 | 332.11 | 36.52 |
| Work in Process of Real Estate projects (at cost) | 1,168.03 | 1,168.03 | 1,042.88 |
| Sub-Total | 1,829.08 | 1,500.14 | 1,079.40 |

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018

(Rs in Lacs)

| | As at 31st March, 2018 | As at 31st March, 2017 | As at 1st April, 2016 |
|---------------------------------------------------|---------------------------|---------------------------|--------------------------|
| NOTE - 7 : TRADE RECEIVABLES | | | |
| Due over six months | | | |
| - considered good | - | - | - |
| - considered doubtful | 329.06 | 329.06 | 323.15 |
| Less: Provison for bad debts | (329.06) | (329.06) | (323.15) |
| | - | - | 5.91 |
| Others (considered good) | | | |
| (b) Other receivables (Unsecured considered good) | 6465.46 | 4126.59 | 10,035.59 |
| Sub-Total | 6,465.46 | 4,126.59 | 10,041.50 |

NOTE - 8 : CASH AND CASH EQUIVALENTS

| | | | |
|-------------------------|--------------|---------------|--------------|
| (a) Balances with banks | 72.18 | 267.17 | 86.19 |
| (b) Cash on hand | 2.90 | 4.65 | 8.52 |
| Total | 75.08 | 271.82 | 94.71 |

NOTE - 9 : OTHER BANK BALANCES

| | | | |
|------------------------------------------------------------------|-----------------|-----------------|-----------------|
| (a) Earmarked balances with banks : Balance in Dividend Accounts | 5.03 | 9.82 | 9.82 |
| (b) Fixed Deposits | 974.46 | 1,026.17 | 1,077.13 |
| (c) Balances In Liquid Funds | 6,359.12 | 4,107.75 | 4,047.28 |
| | 7,338.61 | 5,143.74 | 5,134.23 |

NOTE - 10 : OTHER CURRENT ASSETS

| | | | |
|----------------------------------------------------------|------------------|------------------|------------------|
| a) Deposits with Other Companies | | | |
| Unsecured, considered good | 712.06 | 700.00 | 500.74 |
| b) Balances with Government | 310.24 | 313.89 | 313.24 |
| c) Loans and advances to Suppliers ,Contractors & others | | | |
| Secured, considered good | 0.00 | 234.24 | 912.24 |
| Unsecured, considered good | 12179.22 | 12459.56 | 9929.93 |
| d) Income Tax Refund Receivable /MAT cr | 894.03 | 1217.61 | 1276.73 |
| Total | 14,095.55 | 14,925.30 | 12,932.88 |

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018
Note No. 11
Statement of Changes in Equity for the year ended 31st March' 2018
(Rs in Lacs)
A) Equity Share Capital :

| Particulars | Balance as at 1st April, 2016 | Changes in equity share capital during the 2016-17 | Balance as at 31st March' 2017 | Balance as at 31st March, 2017 | Changes in equity share capital during the 2017-18 | Balance as at 31st March' 2018 |
|-----------------------------------------------------------------------------|-------------------------------|----------------------------------------------------|--------------------------------|--------------------------------|----------------------------------------------------|--------------------------------|
| 16326742 (16326742)(16326742) Equity Shares of Rs. 10 each fully paid up | 1,632.67 | - | 1,632.67 | 1,632.67 | - | 1,632.67 |

B) OTHER EQUITY :
(Rs in Lacs)

| Particulars | Reserve and Surplus | | | | | Retained Earnings | TOTAL OTHER EQUITY |
|----------------------------------------------------------------------------------------------|---------------------|-----------------|----------------------------|--------------------|---------------------|-------------------|--------------------|
| | General Reserve | Capital Reserve | Capital Redemption Reserve | Securities Premium | Revaluation Reserve | | |
| Balances as at 1st April, 2016 | 17,304.69 | 1,076.05 | 1,500.00 | 10,253.97 | - | (5,793.72) | 24,340.99 |
| Addition During the year | | | | | | | |
| Profit during the year | | | | | | 1,350.95 | 1,350.95 |
| Other Comprehensive Income net off tax | | | | | | 59.65 | 59.65 |
| Share of profit/(loss) of Minority of MCTL & Cum Dividend related to preference shareholders | (53.31) | | | | | | (53.31) |
| Balance as at 31st March' 2017 | 17,251.38 | 1,076.05 | 1,500.00 | 10,253.97 | - | (4,383.12) | 25,698.28 |
| Addition During the year | | | | | 3,114.62 | - | 3,114.62 |
| Profit during the year | | | | | | 1,787.00 | 1,787.00 |
| Other Comprehensive Income net off tax | | | | | | 9.50 | 9.50 |
| Share of profit/(loss) of Minority of MCTL & Cum Dividend related to preference shareholders | (3.08) | | | | | | (3.08) |
| Balance as at 31st March, 2018 | 17,248.30 | 1,076.05 | 1,500.00 | 10,253.97 | 3,114.62 | (2,586.62) | 30,606.32 |

(Rs in Lacs)

| | As at 31st March, 2018 | As at 31st March, 2017 | As at 1st April, 2016 |
|--|------------------------|------------------------|-----------------------|
|--|------------------------|------------------------|-----------------------|

Non-Current Liabilities-Financial Liabilities
NOTE - 12 : Long Term Borrowings- At Amortised Cost

Secured-

| | | | |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------|---------------|--------|
| Indian Rupee loan from ICICI Bank Limited (The loan is secured by mortgage over flat in scheme ADANI Heights owned by the company located at Mumbai) The loan is repayable in 240 monthly installments from the month in which construction is completed. | 283.90 | 308.29 | 308.29 |
| Indian Rupee loan from Kotak Bank Limited (The loan was secured by exclusive charge over the land owned by the company located at Chhatral, Kalol) | - | - | 257.54 |

| | | | |
|------------------|---------------|---------------|---------------|
| sub total | 283.90 | 308.29 | 565.83 |
|------------------|---------------|---------------|---------------|

Unsecured- At Amortised Cost

| | | | |
|-----------------------------------------------------------------------------------------------------------------------------|-----------------|-----------------|----------|
| Other Unsecured Loan from Corporate Bodies (associate companies) which is expected to be paid within a period of 2-5 years. | 2,751.13 | 2,822.59 | 4,658.78 |
|-----------------------------------------------------------------------------------------------------------------------------|-----------------|-----------------|----------|

| | | | |
|------------------|-----------------|-----------------|-----------------|
| sub total | 2,751.13 | 2,822.59 | 4,658.78 |
|------------------|-----------------|-----------------|-----------------|

| | | | |
|--------------|-----------------|-----------------|-----------------|
| Total | 3,035.03 | 3,130.88 | 5,224.61 |
|--------------|-----------------|-----------------|-----------------|

NOTE - 13 : DEFERRED TAX LIABILITIES

| | | | |
|--------------------------|--------------|--------------|--------------|
| Deferred Tax Liabilities | 46.07 | 46.07 | 46.07 |
| Total | 46.07 | 46.07 | 46.07 |

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018

(Rs in Lacs)

| | As at 31st March, 2018 | As at 31st March, 2017 | As at 1st April, 2016 |
|---------------------------------------|---------------------------|---------------------------|--------------------------|
| NOTE - 14 : BORROWINGS-CURRENT | | | |
| Secured -At Amortised Cost | | | |
| Working Capital Loans - From Banks | 2,380.79 | 3,161.97 | 863.93 |
| Unsecured Loan from Corporate Bodies | 480.94 | 638.88 | 283.18 |
| Unsecured Loan from Directors | 926.34 | 320.00 | - |
| sub total | 3,788.07 | 4,120.85 | 1,147.11 |

Working Capital Facilities

- 1) State Bank of India
- 2) Kotak Bank
- 3) HDFC bnak
- 4) Dutche Bank

Terms:Repayble on Demand
Security

- 1) Working capital loan from State Bank Of India is secured by present and future book debts and inventories of the Company, personal guarantee of the promoter directors.
- 2) Dropline OD/ working cap facility of Kotak Bank against mortgage of property of Director
- 3) OD/ working cap facility of HDFC Bank and Dutche bank is against pledge of Mutual funds.

NOTE - 15 : TRADE PAYABLES

| | | | |
|-----------------|-----------------|-----------------|-----------------|
| Trade payables* | 3,914.84 | 2,379.27 | 8,131.99 |
| Total | 3,914.84 | 2,379.27 | 8,131.99 |

*Principal amount due to suppliers registered under the MSMED Act and remaining unpaid as at year end

Interest due to suppliers registered under the MSMED Act and remaining unpaid as at year end

Principal amounts paid to suppliers registered under the MSMED Act, beyond the appointed day during the year

NIL NIL NIL

Interest paid, other than under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year

Interest paid, under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year

Interest due and payable towards suppliers registered under MSMED Act, for payments already made

Further interest remaining due and payable for earlier years

NOTE - 16 : Other Financial Liabilities

| | | | |
|--------------------------|---------------|---------------|---------------|
| i) Unpaid Dividend | 5.03 | 9.82 | 9.82 |
| iii) Outstanding expense | 10.05 | 19.54 | 3.07 |
| iv) Other Payables | 359.43 | 217.78 | 220.06 |
| Total | 374.51 | 247.14 | 232.95 |

NOTE - 17 : Other Current Liabilities

| | | | |
|----------------|--------------|--------------|--------------|
| Statutory Dues | 13.60 | 74.62 | 59.37 |
| Total | 13.60 | 74.62 | 59.37 |

NOTE - 18 : Provisions

| | | | |
|---------------------------------|--------------|--------------|--------------|
| Provision for Employee benefits | 11.17 | 12.21 | 11.95 |
| Total | 11.17 | 12.21 | 11.95 |

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

| | For the year ended 31st March, 2018 in Lacs | For the year ended 31st March, 2017 in Lacs |
|----------------------------------------------|------------------------------------------------------|------------------------------------------------------|
| NOTE- 19 : REVENUE FROM OPERATIONS | | |
| SALES - Domestic | 30,989.48 | 33,091.86 |
| - Exports | - | - |
| | 30,989.48 | 33,091.86 |
| Less: Excise Duty | - | - |
| | 30,989.48 | 33,091.86 |
| Interest Income | 1,806.22 | 1,970.77 |
| Profit of partnership firm | - | 15.00 |
| Total | 32,795.70 | 35,077.63 |
| Sale of products comprises : | | |
| <u>Manufactured goods</u> | | |
| Dyes Intermediates | | |
| Local | - | - |
| Export | - | - |
| Total - Sale of manufactured goods | - | - |
| <u>Traded goods</u> | | |
| Dyes intermediates and other traded products | 30,989.48 | 33,091.86 |
| Total - Sale of traded goods | 30,989.48 | 33,091.86 |
| Total - Sale of products | 30,989.48 | 33,091.86 |

NOTE- 20 : OTHER INCOME

| | | |
|----------------------------------------------|-----------------|---------------|
| Profit /(loss) on Sale of Fixed Assets (Net) | (6.99) | - |
| Misc. Income | - | 2.18 |
| Interest on income tax refund | 20.72 | 64.44 |
| Profit/(loss) on Sale of Investments (Net) | 1,056.15 | 84.60 |
| Dividend income | 28.32 | 3.74 |
| Total | 1,098.20 | 154.96 |

**NOTE- 21 : (INCREASE)/DECREASE IN FINISHED GOODS,
WORK IN PROGRESS & STOCK IN TRADE**

| | | |
|----------------------------------|-----------------|-----------------|
| Stock at the Commencement : | | |
| Finished Goods (traded products) | 332.02 | 36.43 |
| Stock at the End : | | |
| Finished Goods (traded products) | 660.95 | 332.02 |
| Total | (328.93) | (295.59) |

NOTE- 22 : EMPLOYEE BENEFIT EXPENSE

| | | |
|---------------------------------------------------------------------------|---------------|---------------|
| Salaries, Wages and Bonus | 101.68 | 104.99 |
| Contribution to Provident Fund , Family Pension Fund & other contribution | 9.08 | 7.58 |
| Workers & Staff Welfare Expenses | 1.96 | 1.57 |
| Total | 112.72 | 114.14 |

NOTE- 23 : FINANCIAL COST

| | | |
|----------------------|---------------|---------------|
| Interest expenditure | 154.35 | 118.26 |
| Total | 154.35 | 118.26 |

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018

| | For the year ended 31st March, 2018 in Lacs | For the year ended 31st March, 2017 in Lacs |
|--------------------------------------------|------------------------------------------------------|------------------------------------------------------|
| NOTE- 24 : OTHER EXPENSES | | |
| Water, Power & Fuel | 8.68 | 9.82 |
| Other Misc. Factory Expenses | 1.56 | 3.14 |
| Rates & Taxes | 7.64 | 16.29 |
| Insurance | 2.38 | 4.91 |
| Postage, Telephone & Stationery | 11.45 | 9.06 |
| Legal & Consultancy Expenses | 88.22 | 71.08 |
| Other Administration Expenses | 38.03 | 48.97 |
| Bad debts | 440.79 | 148.54 |
| Audit Fees | 6.41 | 6.93 |
| Donation | 49.82 | 50.95 |
| Deferred Revenue Expenditure | 5.06 | 6.41 |
| Bill discounting cost & other bank charges | 13.23 | 88.56 |
| Sales Promotion Expenses | 54.78 | 37.69 |
| Inland Freight & Cartage | 65.30 | 35.87 |
| Total | 793.35 | 538.22 |

NOTE - 25 : FINANCIAL INSTRUMENTS

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The following methods and assumptions were used to estimate the fair values:

1. Fair value of cash and short-term deposits, trade and other short term receivables, trade payables, other current liabilities, short term loans from banks and other financial institutions approximate their carrying amounts largely due to short term maturities of these instruments.
2. Financial instruments with fixed and variable interest rates are evaluated by the Company based on parameters such as interest rates and individual credit worthiness of the counterparty. Based on this evaluation, allowances are taken to account for expected losses of these receivables. Accordingly, fair value of such instruments is not materially different from their carrying amounts.

The Financial Instruments are categorised in two level based on the inputs used to arrive at fair value measurements as described below:-

Level 1: quoted (unadjusted) prices in active markets for identical assets or liabilities.

Level 2: other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly.

Level 3: Inputs which are not based on observable market data

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018

The carrying amounts and fair values of financial instruments by category are as follows:

a. **Financial assets (RS in Lacs)**

| Particulars | As at 31st March 2018 | | | As at 31st March 2017 | | | As at 01st April 2016 | | |
|------------------------------|-----------------------|------------------------|---------|-----------------------|------------------------|---------|-----------------------|------------------------|---------|
| | Carrying Amount | Level of Input Used In | | Carrying Amount | Level of Input Used In | | Carrying Amount | Level of Input Used In | |
| | Level 3 | Level 1 | Level 2 | Level 3 | Level 1 | Level 2 | Level 3 | Level 1 | Level 2 |
| Financial Assets | | | | | | | | | |
| At Amortised Cost | | | | | | | | | |
| Trade receivables | 6,465.46 | - | - | 4,126.59 | - | - | 10,041.50 | - | - |
| Cash and cash equivalents | 75.08 | - | - | 271.82 | - | - | 94.71 | - | - |
| Other Bank Balance | 7,338.61 | - | - | 5,143.74 | - | - | 5,134.23 | - | - |
| At FVTPL | | | | | | | | | |
| Trade receivables | - | - | - | - | - | - | - | - | - |
| Cash and cash equivalents | - | - | - | - | - | - | - | - | - |
| Other Bank Balance | - | - | - | - | - | - | - | - | - |
| At FVTOCI | | | | | | | | | |
| Trade receivables | - | - | - | - | - | - | - | - | - |
| Cash and cash equivalents | - | - | - | - | - | - | - | - | - |
| Other Bank Balance | - | - | - | - | - | - | - | - | - |
| Financial Liabilities | | | | | | | | | |
| Borrowings | 3,788.07 | - | - | 4,120.85 | - | - | 1,147.11 | - | - |
| Trade payables | 3,914.84 | - | - | 2,379.27 | - | - | 8,131.99 | - | - |
| Other financial liabilities | 374.51 | - | - | 247.14 | - | - | 232.95 | - | - |

Note 26—Financial Risk Management

Financial risk management objectives and policies

The company's principal financial liabilities comprises of loans and borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include mutual funds, trade and other receivable and cash and cash equivalents that derive directly from its operations. The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks. The senior management ensures that the Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. The Company does not enter into or trade financial instruments, including derivative financial instruments, for speculative purpose. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarized below :

Market risk is the risk that changes in market prices—such as foreign exchange rates, interest rates and equity prices will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters while optimizing the return. The major components of market risk are foreign currency risk and interest rate risk .

(i) Market Risk- Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's main interest rate risk arises from the long term borrowings with fixed rates. The Company's fixed rates borrowings are carried at amortized cost. The Company invests the surplus fund generated from operations in mutual funds. Considering these mutual funds are short term in nature, there is no significant interest rate risk. The Company has laid policies and guidelines including tenure of investment made to minimize impact of interest rate risk

Exposure to interest rate risk

| Particulars | (Rs in Lacs) | | |
|----------------------------------------------|------------------------|------------------------|-----------------------|
| | As at 31st March, 2018 | As at 31st March, 2017 | As at 1st April, 2016 |
| Borrowings bearing variable rate of interest | 2,380.79 | 3,161.97 | 863.93 |
| Borrowings bearing Fixed rate of interest | 4,442.31 | 4,089.76 | 5,250.25 |

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018
(ii) Market Risk- Foreign currency risk.

Foreign currency risk is the risk that the fair fluctuate because in foreign exchange rates. The Company does not have material foreign currency exposure as at balance sheet date. Hence, it does not have any significant foreign currency risk.

(iii) Credit risk

Credit risk arises from the possibility that the counter party may not be able to settle their obligations as agreed. To manage this, the company periodically assess financial reliability of customer, taking into account the financial condition, current economic trends, and analysis of historical bad debts and ageing of accounts receivable. Individual risk limits are set accordingly.

The company considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis through each reporting period. To assess whether there is a significant increase in credit risk the company compares the risk of default occurring on asset as at the reporting date with the risk of default as at the date of initial recognition. It considers reasonable and supportive forwarding-looking information such as:

- i) Actual or expected significant adverse changes in business,
- ii) Actual or expected significant changes in the operating results of the counterparty,
- iii) Financial or economic conditions that are expected to cause a significant change to the counterparty's ability to meet its obligations,
- iv) Significant increase in credit risk on other financial instruments of the same counterparty,
- v) Significant changes in the value of the collateral supporting the obligation or in the quality of the third-party guarantees or credit enhancements .

Ageing of Account receivables

| | As at 31st March, 2018 | As at 31st March, 2017 | As at 1st April, 2016 |
|-----------------|-----------------------------------|-----------------------------------|----------------------------------|
| 0-6 months | 6,465.46 | 4,126.59 | 10,035.59 |
| beyond 6 months | - | - | - |
| Total | 6,465.46 | 4,126.59 | 10,035.59 |

(iv) Liquidity Risk

Liquidity risk is defined as the risk that the company will not be able to settle or meet its obligations on time, or at a reasonable price. The company's treasury department is responsible for liquidity, funding as well as settlement management. In addition, processes and policies related such risk are overseen by senior management. Management monitors the company's net liquidity position through rolling forecasts on the basis of expected cash flows.

The company had access to following undrawn Borrowing facilities at end of reporting period:

| | As at 31st March, 2018 | As at 31st March, 2017 | As at 1st April, 2016 |
|-------------------------------------------------------|-----------------------------------|-----------------------------------|----------------------------------|
| Variable Borrowing -Cash Credit expires within 1 year | 2,380.79 | 3,161.97 | 863.93 |

(v) Capital risk management

The primary objective of the Company's capital management is to maximise the shareholder value. The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants.

The Company Monitors Capital on the basis of the following debt equity ratio:-

| Particulars | As at 31st March, 2018 | As at 31st March, 2017 | As at 1st April, 2016 |
|---------------------------------|-----------------------------------|-----------------------------------|----------------------------------|
| Net Debt | 6,823.10 | 7,251.73 | 6,371.72 |
| Total Equity | 32,537.33 | 27,626.20 | 26,213.46 |
| Net Debt to Total Equity | 20.97% | 26.25% | 24.31% |

NOTES 27 FORMING PART OF FINANCIAL STATEMENTS AS AT 31st March 2018
1) First time adoption of Ind AS

These financial statements are the Company's first standalone financial statements prepared in accordance with Ind AS based on the permissible options and exemptions available to the Company in terms of Ind AS 101 'First time adoption of Indian Accounting standards'. For periods up to and including the year ended on March 31, 2017, the Company prepared its financial statements in accordance with accounting standards notified under section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (previous GAAP).

Accordingly, the Company has prepared financial statements which comply with Ind AS applicable for periods ending on March 31, 2018, together with the comparative period data as at and for the year ended March 31, 2017, as described in the summary of significant accounting policies. In preparing these financial statements, the Company's opening balance sheet was prepared as at April 1, 2016, the Company's date of transition to Ind AS. This note explains the principal adjustments made by the Company in restating its previous GAAP financial statements, including the balance sheet as at April 1, 2016 and the financial statements as at and for the year ended March 31, 2017.

1.1 Optional exemptions availed
i) Fair value measurement of financial assets or financial liabilities at Initial Recognition

Company has elected to apply requirement in paragraph B5.1.2A of Ind AS 109 prospectively to transactions entered into on or after the date of transition to Ind ASs.

ii) Deemed Cost

The Company has elected to measure all its intangible assets at the previous GAAP carrying amount as its deemed cost on the date of transition to Ind AS.

1.2 Applicable mandatory exceptions
i) Estimates

"The estimates at April 1, 2016 and at March 31, 2017 are consistent with those made for the same dates in accordance with previous GAAP (after adjustments to reflect any differences in accounting policies, if any) apart from the following items where application of previous GAAP did not require estimation: "FVTPL investments"? FVTOCI – debt securities"? Impairment of financial assets based on expected credit loss model"

ii) Classification and measurement of financial assets

As required under Ind AS 101, the classification of financial assets to be measured at amortised cost or fair value through other comprehensive income is made on the basis of the facts and circumstances that existed on the date of transition to Ind AS.

- 2) The amounts in the Balance Sheet and Profit and Loss Account are rounded off to the nearest thousand and indicated in lacs of rupees.
- 3) Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosure.
- 4) The Company has constituted a Corporate Social Responsibility (CSR) Committee and has framed a CSR Policy. The brief details of CSR Committee are provided in the Corporate Governance Report. The Annual Report on CSR activities is annexed to this Report.
- 5) "Company has not received any intimation from the suppliers regarding their status under the "Micro, Small and Medium Enterprises Development Act, 2006 and hence disclosures, if any, relating "to amounts unpaid as at the year end together with interest paid / payable as required under the said "Act have not been given"
- 6) No commission (Previous Year Rs. NIL) has been paid to the Managing Director / Dy.Managing Director for the year under review in view of resolution passed by the Board of directors and as agreed by the Managing Director.
- 7) Director's Remuneration :

| Particulars | (Rs./Lacs) | |
|----------------------------------------------|--------------|--------------|
| | 2017-18 | 2016-17 |
| i.) Salary | 34.83 | 34.83 |
| ii.) Contribution to Provident & other Funds | 1.55 | 1.55 |
| iii.) Other Perquisites | 11.6 | 11.6 |
| Total: | 47.98 | 47.98 |

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018

- 8) The Company is engaged in the business of Dyes and Dyes Intermediates Manufacturing, Infrastructure and Reality Segment, Trading and finance during the financial year under review, which in the context of Accounting Standard 17 are considered reportable business segments. Business segment information in pursuance of Accounting Standard 17 have been reported as below :

INFORMATION ABOUT BUSINESS SEGMENTS

| | Rs in Lacs | | | | | | | | | |
|---------------------------------------------------------------------------|------------------------------------|---------------|----------------------------|---------------|-------------------|---------------|--------------------|---------------|--------------------|---------------|
| | Dyes & Intermediates Manufacturing | | Infrastructure and Reality | | Trading & Finance | | Others Unallocable | | TOTAL CONSOLIDATED | |
| | Current Year | Previous Year | Current Year | Previous Year | Current Year | Previous Year | Current Year | Previous Year | Current Year | Previous Year |
| REVENUE | | | | | | | | | | |
| External Sales | 0.00 | 0.00 | 0.00 | 0.00 | 30989.48 | 33091.86 | 0.00 | 0.00 | 30989.48 | 33091.86 |
| Inter Segment Sales | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Interest & Dividend Income | 0.00 | 0.00 | 221.12 | 389.53 | 1585.10 | 1476.46 | 0.00 | 0.00 | 1806.22 | 1865.99 |
| Total Revenue | 0.00 | 0.00 | 221.12 | 389.53 | 32574.58 | 34670.42 | 0.00 | 0.00 | 32795.70 | 35059.95 |
| Interest expense | 0.00 | 0.00 | 0.00 | 0.00 | 154.35 | 118.26 | 0.00 | 0.00 | 154.35 | 118.26 |
| Profit before tax | 0.00 | 0.00 | 221.12 | 389.53 | 2115.88 | 1379.82 | 0.00 | 0.00 | 2337.00 | 1769.35 |
| Income taxes/Deferred tax | 0.00 | 0.00 | 0.00 | 0.00 | 550.00 | 418.40 | 0.00 | 0.00 | 550.00 | 418.40 |
| Profit /(loss) After Tax before prior period | 0.00 | 0.00 | 221.12 | 389.53 | 1565.88 | 961.42 | 0.00 | 0.00 | 1787.00 | 1350.95 |
| Prior Period expenditure | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Profit /(loss) After Tax after prior period (Before comprehensive income) | 0.00 | 0.00 | 221.12 | 389.53 | 1565.88 | 961.42 | 0.00 | 0.00 | 1787.00 | 1350.95 |
| Capital Employed | 4088.35 | 1553.06 | 4970.19 | 5474.73 | 23180.45 | 20389.19 | 0.00 | 0.00 | 32238.99 | 27416.98 |

Previous Year figures have been regrouped/reclassified wherever necessary to correspond with the figures for the figures for the year under review.

9) **Related Party Disclosures as per Indian Accounting Standard**

List of Related Parties with whom transactions have taken place during the year

- (i) List of Related party and their relationships:

| Sr No | Name of the Related Party |
|----------|----------------------------------------------------|
| a | Other Related /Associated companies |
| 1 | Anil Dyechem Industries Pvt. Ltd |
| 2 | Harvest Tradelink Pvt.Ltd. |
| 3 | Maiden Tradefin Pvt. Ltd. |
| 4 | DK Metro Procon Private Limited |
| 5 | Dual Metals Pvt Ltd. |
| 6 | Rian Chemicals Pvt.Ltd. |
| b | Entity over which Company has joint control |
| 1 | Ganesh Infrastructure |
| 2 | PMZ Developers |
| 3 | Keshvaji Developers |
| 4 | Metro Apptech LLP |
| 5 | Myspace Infracon LLP |
| 6 | Metro Samved Engineers |
| c | Key Managerial Personnel |
| 1 | Shri Gautam M. Jain |
| 2 | Shri Rahul Jain |
| 3 | Mrs. Krati Rahul Jain |

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018
(ii) Details of transactions with related parties & Balance Outstanding as at the year end:

| (Rs. In Lacs) | | | | | |
|----------------|----------------------------------------------------|-----------------|--------------------|-----------------------------------------|-----------------|
| Sr. No. | Nature of Transactions | Associates | Key Mgt. Companies | Relative Personnel Management Personnel | Total of key |
| 1 | Remuneration/sitting fees | - | 47.98 | - | 47.98 |
| 2 | Lease Rent/ Shed Rent paid | - | 2.64 | - | 2.64 |
| 3 | Purchase of land | - | 431.61 | - | 431.61 |
| 4 | Interest expenses on intercorporate deposits taken | 235.89 | 23.09 | - | 258.98 |
| 5 | Outstanding intercorporate deposits payable | 2,501.79 | 926.34 | - | 3,428.13 |
| 6 | Investment in shares of associate companies | 8.82 | - | - | 8.82 |
| 7 | Interest receivable | 104.85 | - | - | 104.85 |
| 8 | Outstanding loans receivable | 879.43 | - | - | 879.43 |
| | Total | 3,730.78 | 1,431.66 | - | 5,162.44 |

Notes :

- i. No amounts in respect of related parties have been written off/written back/provided for during the year.
- ii. Related party relationships have been identified by the management and relied upon by the auditors.

10) DISCLOSURE PURSUANT TO IND AS - 19 “EMPLOYEE BENEFITS”

- i) **Gratuity:** In accordance with the applicable laws, the Company provides for gratuity, a defined benefit retirement plan (“The Gratuity Plan”) covering eligible employees. The Gratuity Plan provides for a lump sum payment to vested employees on retirement (subject to completion of five years of continuous employment), death, incapacitation or termination of employment that are based on last drawn salary and tenure of employment. Liabilities with regard to the Gratuity Plan are determined by actuarial valuation on the reporting date and the Company makes annual contribution to the gratuity fund administered by Life Insurance Corporation of India under Group Gratuity Scheme.

The disclosure in respect of the defined Gratuity Plan are given below:

A. Balance Sheet
Defined benefit plans

| | Amount In Rs.) | | |
|-------------------------------------|------------------------|------------------------|-----------------------|
| | As at 31st March, 2018 | As at 31st March, 2017 | As at 1st April, 2016 |
| Present value of plan liabilities | 3,596,673 | 3,198,189 | 2,694,689 |
| Fair value of plan assets | 3,311,673 | 3,083,189 | 2,657,484 |
| Asset/(Liability) recognised | (285,000) | (115,000) | (37,205) |

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018
B. Movements in plan assets and plan liabilities

| | (Amount In Rs.) | |
|-----------------------------------------------------------------------------|-------------------------------------|----------------------------------|
| | Present value of obligations | Fair Value of Plan assets |
| As at 1st April 2017 | 3,198,189 | 3,083,189 |
| Current service cost | 99,086 | - |
| Past service cost | - | - |
| Interest Cost/(Income) | 239,299 | - |
| Liability tranferred in/ acquisition | | |
| Return on plan assets excluding amounts included in net finance income/cost | - | |
| Actuarial (gain)/loss arising from changes in demographic assumptions | | - |
| Actuarial (gain)/loss arising from changes in financial assumptions | 116,615 | - |
| Actuarial (gain)/loss arising from experience adjustments | (285,000) | - |
| Employer contributions | 228,484 | 228,484 |
| Benefit payments | | |
| As at 31st March 2018 | 3,596,673 | 3,311,673 |
| As at 1st April 2016 | 2,936,877 | 2,623,540 |
| Current service cost | 91,056 | - |
| Past service cost | - | - |
| Interest Cost/(Income) | 232,783 | 204,374 |
| Return on plan assets excluding amounts included in net finance income/cost | | |
| Actuarial (gain)/loss arising from changes in demographic assumptions | - | 32,841 |
| Actuarial (gain)/loss arising from changes in financial assumptions | | - |
| Actuarial (gain)/loss arising from experience adjustments | 52,790 | - |
| Employer contributions | - 115,317 | - |
| Benefit payments | - | 228,434 |
| As at 31st March 2017 | 3,198,189 | 3,083,189 |

C. Assumptions

With the objective of presenting the plan assets and plan liabilities of the defined benefits plans at their fair value on the balance sheet, assumptions under Ind AS 19 are set by reference to market conditions at the valuation date.

The significant actuarial assumptions were as follows:

| | As at 31st March, 2018 | As at 31st March, 2017 | As at 1st April, 2016 |
|----------------------------------|------------------------------------------|------------------------------------------|------------------------------------------|
| Financial Assumptions | | | |
| Discount rate | 7.99% | 7.99% | 7.99% |
| Salary Escalation Rate | 5.00% | 5.00% | 5.00% |
| Expected Return on Plan Assets | 7.99% | 7.99% | 7.99% |
| Rate of Employee Turnover | 5.00% | 5.00% | 5.00% |
| Mortality Rate During Employment | Indian Assured Lives Mortality (2006-08) | Indian Assured Lives Mortality (2006-08) | Indian Assured Lives Mortality (2006-08) |
| Mortality Rate After Employment | N.A. | N.A. | N.A. |

Demographic Assumptions

Mortality in Service : Indian Assured Lives Mortality (2006-08)

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018

- D. The projected defined benefit obligations shall mature after year end 31st March, 2018 as follows:**

| Year ending | Defined benefit obligation | |
|-----------------------------|----------------------------|-----------|
| | (Amount In Rs.) | |
| 31st March, 2018 | 1,929,165 | 1,837,338 |
| 31st March, 2019 | 83,518 | 72,838 |
| 31st March, 2020 | 83,540 | 76,089 |
| 31st March, 2021 | 353,234 | 76,780 |
| 31st March, 2022 | 67,482 | 317,802 |
| sum of years (2018 to 2022) | 693,976 | 673,508 |

- E Sensitivity Analysis** (Amount In Rs.)

| Particulars | As at 31st | As at 31st |
|----------------------------------------------------------|-------------|-------------|
| | March, 2018 | March, 2017 |
| Projected Benefit Obligation on Current Assuptions | 3,596,676 | 3,198,189 |
| Delta Effect of + 1% Change in Rate of Discounting | (78,424) | (74,216) |
| Delta Effect of - 1% Change in Rate of Discounting | 84,970 | 82,970 |
| Delta Effect of + 1% Change in Rate of Salary Increase | 84,674 | 83,874 |
| Delta Effect of -1% Change in Rate of Salary Increase | (79,602) | (76,302) |
| Delta Effect of + 1% Change in Rate of Employee Turnover | 10,302 | 9,631 |
| Delta Effect of - 1% Change in Rate of Employee Turnover | (11,303) | (10,762) |

- 11) i) In the Opinion of the Management, any of the assets other than fixed assets and non-current investments have value on realization in the ordinary course of business at least equal to the amount at they are stated. The accounts of certain Trade Receivables, Trade Payables, Loans and Advances are however, subject to formal confirmations/reconciliations and consequent adjustments, if any. The management does not expect any material difference affecting the current year's financial statements on such reconciliation/ajustments.
- ii) Other expenses include bad debts of RS 440.79 lacs out of which RS 215.76 lacs is of trade receivables of Anil Limited who has mdae default in payment & legal proceedings are going on with the party and Rs.225.03 lacs of loans and advances given to some parties for which amount is not realizable and hence written off as bad debts.
- iii) Land is initially recognised at cost During the year land has been revalued by independent professional valuer and revaluation amount is credited to revaluation reserve od RS 3114.62 lacs and carrying amounts of land arising from revaluation is increased by RS 3114.62 Lacs.
- iv) Rs.1.68 Lacs being net gain (Previous year Rs.54.40 Lacs being net gain) on account of exchange difference have been adjusted in the respective heads of account in the profit & loss account.

- 12) The Deferred Tax Assets and Liabilities for the year comprise of the following:

| Particulars | (Rs./Lacs) | | | |
|--------------|---------------------|-------------|----------------------|-------------|
| | As at March 31,2018 | | As at March 31, 2017 | |
| | Assets | Liabilities | Assets | Liabilities |
| Depreciation | 0 | 46.07 | 0 | 46.07 |

- 13) **Auditors' Remuneration** (Rs. In Lacs)

| Particulars | 2017-18 | 2016-17 |
|------------------|-------------|-------------|
| Audit Fees | 6.41 | 6.30 |
| Service Tax /GST | 1.13 | 0.99 |
| Total | 7.54 | 7.29 |

- 14) **Calculation of Earning Per Share (EPS):**

| | | |
|-----------------------------------------------------------|----------|----------|
| Numerator: | | |
| Profit after tax | 1,796.50 | 1,410.60 |
| Denominator: Weighted Average Equity Shares (No.) in Lacs | 163.267 | 163.267 |
| Face Value | 10 | 10 |
| Basic and Diluted Earning Per Share | 11.00 | 8.64 |

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018

15) (i) Contingent liabilities not provided for in respect of (Rs. In Lacs)

| Particulars | As at 31st | As at 31st | As at 1st |
|-------------------------------------------------------------|-------------|-------------|-------------|
| | March, 2018 | March, 2017 | April, 2016 |
| Income Tax | 386.11 | 169.62 | 169.62 |
| VAT/Sales Tax | - | 53.09 | 53.09 |
| Excise Duty (Interest thereon not ascertainable at present) | 196.24 | 196.24 | 196.24 |
| Others | | | |

During 1993, the Company had imported plant and machinery under Export Promotion Capital Goods Scheme ('EPCG') at concessional rate of custom duty against export obligation under the said Scheme. As the Company could complete only partial Export obligation, it has received a notice of demand from Directorate General of Foreign Trade ('DGFT'). The Company has paid the entire differential duty amount for Rs.94,68,900 on 10.05.2011 and has made necessary submissions before the authorities. In view of this submission and pending decision of forum, interest liability is not ascertainable.

Liability in respect of 8% Cumulative Redeemable Preference shares Dividend Rs.120.33 Lacs. (Previous year Rs.112.33 Lacs)

The company's pending litigation comprises mainly claims against the Company, proceedings pending with tax & other Authorities. The Company has reviewed all its pending litigations and proceedings and has made adequate provisions, wherever required and disclosed the contingent liabilities, wherever applicable, in its financial statements. The Company does not reasonable expect the outcome of these proceedings to have a material impact on its financial statements. Future cash outflow in respect of the above are determinable only on receipts of judgments/decisions pending with various forums/authorities.

Huntsman International (India) Private Limited, Mumbai has filed arbitration case against the Company for alleged violation of representations and warranties as per the Master Agreement. The above said arbitration proceedings are pending before Arbitration Tribunal.

(ii) Commitment

Operating Lease:

The Company has acquired certain Building/Office Premises under lease arrangement. The future lease payment committed is as under:

| Particulars | As at 31st | As at 31st | As at 1st |
|-----------------|-------------|-------------|-------------|
| | March, 2018 | March, 2017 | April, 2016 |
| Within one year | 2.64 | 2.64 | 2.64 |

(iii) Capital Commitment: **Rs. NIL** (Previous Year **Rs. NIL**)

16) Other Additional Information

a) Raw Materials Consumption

| | Year Ended 31-03-2018 | | Year Ended 31-03-2017 | |
|------------------------------------|-----------------------|----------|-----------------------|----------|
| | Qty. | Value | Qty. | Value |
| RAW MATERIAL | (Mts) | Rs./Lacs | (Mts) | Rs./Lacs |
| Items - | - | - | - | - |
| Total Raw Material Consumed | - | - | - | - |

b) Value of Imports on CIF Basis

| Particulars | Year Ended | Year Ended |
|---------------|------------|------------|
| | 31-03-2018 | 31-03-2017 |
| Raw Material | - | - |
| Capital Goods | - | - |
| Traded goods | 189.58 | 2179.88 |

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018

c) Consumption of Raw Materials

| | Year Ended 31-03-2018 | | Year Ended 31-03-2017 | |
|------------------------------------------|-----------------------|---|-----------------------|---|
| | (Rs./Lacs) | % | (Rs./Lacs) | % |
| Imported (including Import Duty content) | - | - | - | - |
| Indigenous | - | - | - | - |
| Total | - | - | - | - |

d) Expenditure in Foreign Currency incurred during the year

| Particulars | Year Ended 31-03-2018 | Year Ended 31-03-2017 |
|-----------------------------|--------------------------|--------------------------|
| Foreign Bank Charges | - | - |
| Foreign Travelling Expenses | 28.65 | 5.69 |

e) Earning in Foreign Currency during the year.

| | | |
|----------------------------|-----|-----|
| Direct Exports (FOB Value) | NIL | NIL |
|----------------------------|-----|-----|

As per our report of even date

For AMPAC & ASSOCIATES,
Chartered Accountants

Piyush B. Sheth
Partner
Membership No.: 44062
FRN : 112236W

Ahmedabad
May 30, 2018

Nitin S. Shah
Company Secretary

For & on behalf of the Board

Gautam M. Jain Chairman & Managing Director
(DIN No: 00160167)

Sandeep S. Bhandari Director
(DIN No: 01379445)

Rahul G. Jain Executive Director
(DIN No:01813781)

Ahmedabad
May 30, 2018

METROglobal Limited**(CIN :L21010MH1992PLC069527)**

101, 1st Floor, "MangalDisha",Nr. Guru Gangeshwar Temple, 6th Road ,Khar (West), Mumbai, Maharashtra-400052

ATTENDANCE SLIP

Regd. Folio No / DP Client ID : _____

No. of Shares : _____

I certify that I am a registered shareholder / proxy for the registered shareholder of the company.

I hereby record my / our presence at the Tweny Sixth Annual General Meeting of the Company held at Conference Hall of The Oriental Residency, Next to, Opp: Khar Telephone Exchange, Khar (West), Mumbai-400052, on Saturday, **29th September, 2018** at 12.30 p.m._____
Member's / Proxy's name in BLOCK letters_____
Member's / Proxy's Signature**Note: Please fill in the attendance slip and hand it over at the entrance of the Meeting Hall.****METROglobal Limited****(CIN :L21010MH1992PLC069527)**

101, 1st Floor, "MangalDisha",Nr. Guru Gangeshwar Temple, 6th Road ,Khar (West), Mumbai, Maharashtra-400052

FORM OF PROXY**Annual General Meeting**

Regd. Folio No / DP Client ID : _____

No. of Shares : _____

I / We, _____ of _____ being a member / members of the above named Company hereby appoint _____ of _____ as my / our proxy to vote for me / us on my / our behalf at the Annual General Meeting of the Company to be held on Saturday, **29th September, 2018** at Conference Hall of The Oriental Residency, Next to Khar Telephone Exchange, Khar (West), Mumbai-400052 , at 12.30 p.m. and at any adjourned meeting thereof.

Dated this _____ day of _____, 2018

| |
|------------------------------------|
| Affix Re. 1 Revenue Stamp |
|------------------------------------|

Signature(s) across the Stamp**Notes:**

1. A member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of himself.
2. A proxy need not be a member.
3. This form in order to be effective must be duly stamped, completed and signed and must be deposited at the Registered Office of the Company not later than Forty-Eight hours before the meeting.
4. In case of multiple proxies, proxy later in time shall be accepted.

METROglobal Limited
(CIN :L21010MH1992PLC069527)

101, 1st Floor, "MangalDisha",Nr. Guru Gangeshwar Temple, 6th Road ,Khar (West), Mumbai, Maharashtra-400052
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)

| | |
|---------------------------------------------------------------------------------------------------------------------|--|
| Name of the Member(s) Registered Address : Email Id: Folio No/DPID-Client ID : | |
|---------------------------------------------------------------------------------------------------------------------|--|

I/We, being the Member(s) ofShares of the above named Company, here by appoint :

1. Name :-Address
:.....

Email ID:-.....Signature or failing him

2. Name :-Address
:.....

Email ID:-.....Signature

As my/our Proxy to attend and vote (on a Poll) for me as me/us and on my/our behalf at the 26th Annual General Meeting of the Company to be held on (Saturday, the 29th September 2018 at 12.30 p.m. at Conference Hall of The Oriental Residency, Next to Khar Telephone Exchange, P.D. Hinduja Marg, Khar (West), Mumbai-400052 and at any adjournment thereof in respect of such resolutions as are indicated below:

Ordinary Business

1. Adoption of Profit and Loss Account and Balance Sheet together with Directors' Report for the Financial Year ended on 31st March, 2018.
2. Re-Appointment of Mr. Nilesh R. Desai (DIN :00414747) liable to Retire by Rotation and being eligible, offers himself for re-appointment.
3. Appointment of Statutory Auditors of the Company and to fix their remuneration.

Special Business

04. To consider and approve reclassification of Promoters of the Company and in this regard to consider and fit, to pass, with or without modification(s), the following resolution as a **Special Resolution**.
05. Revision of Remuneration of Mr.Gautam M.Jain (DIN 00160167), as Executive Chairman and Managing Director of the Company to consider and if thought, fit to pass with or without modification(s) resolution as a **Special Resolution**.
06. Revision of remuneration of Mr. Rahul G.Jain (DIN 01813781), as Executive Director/Whole Time Director of the Company to consider and if thought, fit to pass with or without modification(s) resolution as a **Ordinary Resolution**.

Signed thisday of2018

Signature of Share holder

Signature of Proxy Holder(s) (1).....(2).....

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.

METROglobal Limited

(CIN :-L21010MH1992PLC069527)

101, 1st Floor, "MangalDisha",Nr. Guru Gangeshwar Temple, 6th Road, Khar (West), Mumbai, Maharashtra-400052

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Ballot Form

(To be used by Share Holders personally present/through Proxy at the Meeting and have not opted for E-Voting)

| | | |
|----|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--|
| 1. | Name and Address of the Sole/ First Named Share holder | |
| 2. | Name(s) of the Joint Holder(s) (If any) | |
| 3. | Registered Folio No./DPID-Client ID | |
| 4. | Number of Share(s) held | |
| 5. | I/We hereby exercise my/our assent or dissent by way of Vote(s) at the time of my/our personal presence/ through proxy at the General Meeting in respect of the Ordinary and Special Resolutions set out in the Notice of 26 th Annual General Meeting of the Company to be held on (Saturday, the 29 th September 2018 at 12.30 p.m. at Conference Hall of The Oriental Residency, Next to Khar Telephone Exchange, P.D. Hinduja Marg, Khar (West), Mumbai-400052, by placing the tick (™)mark at the appropriate box below: | |

| Resolution No. | Resolutions | No. of Shares | For | Against |
|----------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------|-----|---------|
| | Ordinary Business | | | |
| 01. | Adoption of Profit and Loss Account and Balance Sheet together with Directors' Report for the Financial Year ended on 31 st March, 2018. | | | |
| 02. | Re-Appointment of Mr. Nilesh R. Desai (DIN No: 00414747) liable to Retire by Rotation and being eligible, offers himself for re-appointment. | | | |
| 03. | Appointment of Statutory Auditors of the Company and to fix their remuneration. | | | |
| | Special Business | | | |
| 04. | To consider and approve reclassification of Promoters of the Company and in this regard to consider and fit, to pass, with or without modification(s), the following resolution as a Special Resolution . | | | |
| 05. | Revision of Remuneration of Mr.Gautam M.Jain (DIN 00160167), as Executive Chairman and Managing Director of the Company to consider and if thought, fit to pass with or without modification(s) resolution as a Special Resolution . | | | |
| 06. | Revision of remuneration of Mr. Rahul G.Jain (DIN 01813781), as Executive Director/Whole Time Director of the Company to consider and if thought, fit to pass with or without modification(s) resolution as a Ordinary Resolution . | | | |

Place :-

Date :-

(Signature of Shareholder/Proxy)

Note :- This Ballot is to be used for exercising voting at the time of 26th Annual General Meeting to be held on Saturday the 29th September 2018 by Shareholder/proxy. Duly Filled in and signed ballot form should be dropped in the Ballot Box kept at the Venue of AGM.

To,
Sharex Dynamic (India) Pvt.Ltd.
Unit : MetroGlobal Limited
(CIN No: 21010MH1992PLC069527)
Unit No-1, Luthara Ind. Premises,
Andheri Kurla Road, Safed pool,
Andheri (E), Mumbai 400 072

Updation of Physical Shareholders' Information

I/ We request you to record the following information against our Folio No.:

| | |
|-----------------------------------------------------------------------|--|
| Personal Information: | |
| Folio No. | |
| Name of the First Shareholder: | |
| PAN:* | |
| CIN/ Registration No.: (in case of Corporate Shareholder)* | |
| Tel. No. with STD Code: | |
| Mobile No.: | |
| Email id: | |

* Kindly attach self-attested copy of the documents.

| | |
|-----------------------------|--|
| Bank Details: | |
| IFSC(11 digit): | |
| MICR (9 digit): | |
| Bank A/c Type: | |
| Bank A/c No.: | |
| Name of the Bank: | |
| Bank Branch address: | |

* A blank cancelled cheque is enclosed for verification of details.

I/ We hereby declare that the particulars given above are correct and complete. If the transaction is delayed because of incomplete or incorrect information, I/ We would not hold the Company/ RTA responsible. I/ We undertake to inform any subsequent changes in the above particulars as and when the changes take place. I/ We understand that the above details shall be maintained by you till I/We hold the securities under the above mentioned Folio No.

Place:
Date :

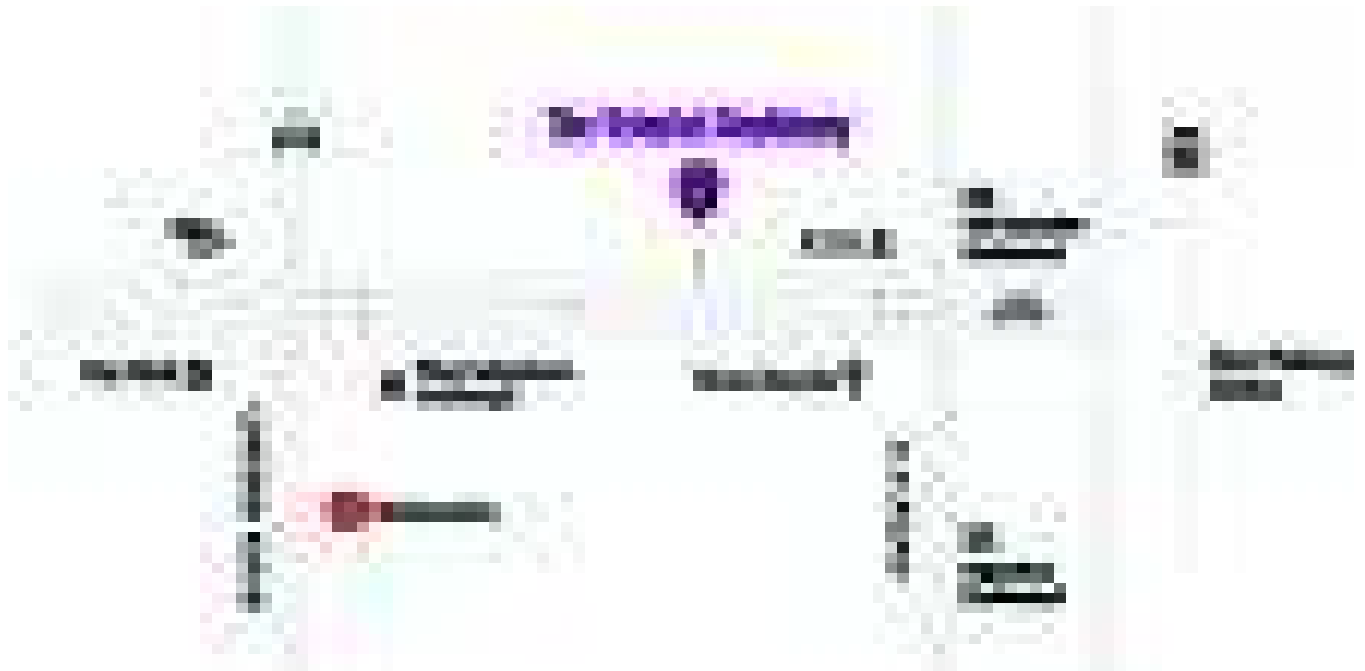
Signature of Sole/ First Holder

Agenda Map for Annual General Meeting

Monday 23rd Annual General Meeting

Wednesday 25th General Meeting (AGM) and

The extraordinary general meeting of shareholders
 of Metro Global Limited (the AGM) will be held on





METROGlobal Limited

(CIN No: L21010MH1992PLC069527)

REGISTERED OFFICE

101, 1st Floor, "Mangal Disha", Near Guru Gangeswar Temple, 6th Road,
Khar (West), Mumbai-400052 , Maharashtra (India)

CORPORATE OFFICE

508-509, "SHILP ", C.G.Road, Navrangpura, Ahmedabad-380009. INDIA
Phone : 91-79-2646 8016, 2646 9150, 2640 3930