

HEERA ISPAT LIMITED

28th AUDITED ANNUAL REPORT
FOR THE YEAR 2019-20

COMPANY REGISTRATION NO: 04-018101

CIN NO: L27101GJ1992PLC018101

Registered with Registrar of Companies, Gujarat State

HEERA ISPAT LIMITED

REG. OFFICE: 206, ASHWARATH COMPLEX, 2ND FLOOR, OPP. FORTUNE LANDMARK HOTEL,
USMANPURA, AHMEDABAD 380013 GUJARAT

E-Mail ID: heeraiapat1992@gmail.com

NOTE TO THE SHAREHOLDERS

As a measure of economy, copies of the Annual Report will not be distributed at the Annual General Meeting, Shareholders are requested to kindly bring their copies to the meeting.

NOTICE is hereby given to the Members of Heera Ispat Limited that 28th Annual General Meeting of the Members of the Company will be held on Sunday the 27th September, 2020 at 02.30 P.M. at Radisson Blu, Near Panchvati Cross Roads, Ellisbridge, Ahmedabad: 380006, Gujarat, India, to transact the following Business.

ORDINARY BUSINESS:

1. To Receive, Consider, Approve and Adopt the Audited Financial Statement for the Financial Year 2019-20, i.e. the Audited Balance Sheet as at 31/03/2020, the Profit & Loss Account for the Year ended on that date, the audited cash flow statement for the year ended on that date, and the report of the Auditors and Directors thereon.
2. To Re-Appoint Director Mr. DINESHKUMAR SAMARATAJI RAO (DIN 06379029) who retires by rotation and being eligible offers himself for re-appointment?
3. To ratify the Reappointment of M/s. Naresh J Patel & Co., Chartered Accountants, Ahmedabad FRN: 123227W as the Statutory Auditors of the Company for the next financial year 2020-21 and to hold the office as such up to the conclusion of the Next Annual General Meeting and to authorize the Board of Directors to fix their remuneration in their consultation.

DATE : 31st AUGUST, 2020

BY ORDER OF THE BOARD OF DIRECTOR OF

PLACE: Ahmedabad

HEERA ISPAT LIMITED

SD/-
(DINESHKUMAR S. RAO)

MANAGING DIRECTOR
DIN:06379029

The Register of Members and Share Transfer Books of the Company will remain closed from Monday the 21/09/2020 TO 27/09/2020 Sunday (both days inclusive).

NOTES:

- 1) A Member of the Company entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote and that a proxy need not be a member of the company.
- 2) Proxies in order to be effective must be received at the Company's Registered Office not less than 48 hours before the meeting. Proxies submitted on behalf of limited companies, societies, Trusts, etc., must be backed by appropriate resolution / authority as applicable, issued on behalf of the nominating organization.
- 3) A person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than ten percent of the total share capital of the Company. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
- 4) In compliance with the provisions of Section 108 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014, and Regulation 44 of SEBI (LODR) 2015 (Including any Statutory Modification or re-enactment thereof for the time being in force), the Company is providing e-Voting facility as an alternative mode of voting which will enable the Members to cast their votes electronically. The instructions for e-voting are enclosed herewith.
- 5) Corporate Members intending to send their authorized representatives are requested to send a duly certified copy of the Board Resolution authorizing their representatives to attend and vote at the Annual General Meeting.
- 7) The Register of members and share transfer books of the Company shall remain closed from Monday, 21/09/2020 TO Sunday, 27/09/2020 (Both days inclusive) as per the provisions of the Companies Act, 2013 and the Regulations of the SEBI (LODR) 2015.
- 8) Members desiring any information on accounts are requested to write to the company 7 days before the meeting to enable the management to keep the information ready.
- 9) Shareholders holding shares in physical form are requested to advise any change of address immediately to Company's Registrar and Share Transfer Agent, Skyline Financial Services Private Limited, shareholders holding shares in electronic form must advise to their respective depository participants about change in address and not to company.
- 10) All shareholders are requested to dematerialize their shareholding immediately as the shares are traded compulsorily in demat segment only and as per Ministry of Corporate Affairs directives and notifications w.e.f. 1st April, 2019 the Transfer of Shares by Public Limited

Companies and all listed companies are prohibited in physical form.

- 11) All shareholders holding shares in physical form are requested to provide their IT PAN CARD and AADHAAR CARD of the first and all joint shareholders including the personal E-mail ID of the first Shareholder and his Mobile Number to the RTA M/s. Skyline Financial Services Private Limited immediately.
- 12) All shareholders holding shares in Dematerialized form but who have not provided their personal e-mail ID and Mobile Number to their Depository Participants, should immediately furnish the same to their Depository Participants where they are having their Demat Accounts.
- 13) The Securities and 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 Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company as well as to RTA.
- 14) All documents referred to in the accompanying Notice shall be open for inspection at the Registered Office of the Company during normal business hours (10 am to 5.00 pm) on all working days except Saturdays and Sunday, up to and including the date of the Annual General Meeting of the Company.
- 15) The Notice of the Annual General Meeting and Annual Report of the Company for the year ended 31st March, 2020 is uploaded on the Company's website www.heeraiapat.com and may be accessed by the members.
- 16) Electronic copy of the Annual Report for 2019-20 is being sent to all the members whose email IDs are registered with the Company / Depository Participant(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Annual Report for 2019-20 are being sent in the permitted mode.
- 17) Electronic copy of the Notice of the Annual General Meeting of the Company inter alia indicating the process and manner of e-voting along with Attendance Slip and Proxy Form is being sent to all the members whose email IDs are registered with the Company / Depository Participant(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Notice of the Annual General Meeting of the Company inter alia indicating the process and manner of e-voting along with Attendance Slip and Proxy Form is being sent in the permitted mode.
- 18) Instructions for e-voting: In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014 read with Regulation 44 of the SEBI (LODR), 2015, the Company is pleased to provide members facility to exercise their right to vote at the 28th 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):

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, select the “COMPANY NAME” i.e. “HEERA ISPAT LIMITED” from the drop down menu and click on “SUBMIT”
- (iv) Now Enter your User ID:
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company. (6 Digit Alpha-Numeric)
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) 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.
- (vii) If you are a first time user follow the steps given below:

	For Members holding shares in Demat Form and Physical Form
PAN*	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <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. E.g. 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	<p>Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio.</p> <p>☒ Please enter the DOB or Dividend Bank Details in order to login. If the details are</p>

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.

- (viii) After entering these details appropriately, click on “SUBMIT” tab.
- (ix) 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.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the **EVSN: 200904078** for the relevant <Company Name> i.e. **HEERA ISPAT LIMITED**, on which you choose to vote.
- (xii) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiii) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xiv) After selecting the resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- (xv) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take out print of the voting done by you by clicking on “Click here to print” option on the Voting page.
- (xvii) If 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 <https://www.evotingindia.co.in> and register themselves as Corporate.
 - 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 favor 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:

Please follow all steps from sr. no. (i) to sr. no. (xvii) Above to cast vote.

General Instructions:

The voting period begins on 24th September 2020 at 10.00 a.m. and ends on 26th September, 2020 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 of (record date) of 18th September 2020, may cast their vote Electronically. The e-voting module shall be disabled by CDSL for voting thereafter. The EVSN number for E-voting generated on the website www.evotingindia.com is [200904078](http://www.evotingindia.com)

- a. 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.co.in under help section or write an email to helpdesk.evoting@cdslindia.com.
 - b. Mr.Kamlesh M. Shah, Practicing Company Secretary, (Membership No. A8356 and COP No. 2072) (Address: 801-A, Mahalay Complex, Opp: Hotel President, B/h. Fairdeal House, Swastik Cross Roads, Navrangpura, Ahmedabad: 380 009, Gujarat, India, has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
 - c. The Scrutinizer shall within a period not exceeding three (3) working days from the conclusion of the e-voting period unblock the votes in the presence of at least two (2) witnesses not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favor or against, if any, forthwith to the Chairman of the Company.
- (xviii) The Results declared along with the Scrutinizer's Report shall be placed on the Company's website www.heeraispac.com and on the website of CDSL within two(2) working days of passing of the resolutions at the AGM of the Company and communicated to the ASE and BSE Limited.

INFORMATION ABOUT THE DIRECTORS WHO ARE PROPOSED TO BE APPOINTED/ RE-APPOINTED AT THE 28th ANNUAL GENERAL MEETING [Pursuant to regulation 36 (3) of the SEBI (LODR) Regulations, 2015] FORMING PART OF THE NOTICE CONVENING THE ANNUAL GENERAL MEETING OF THE COMPANY.

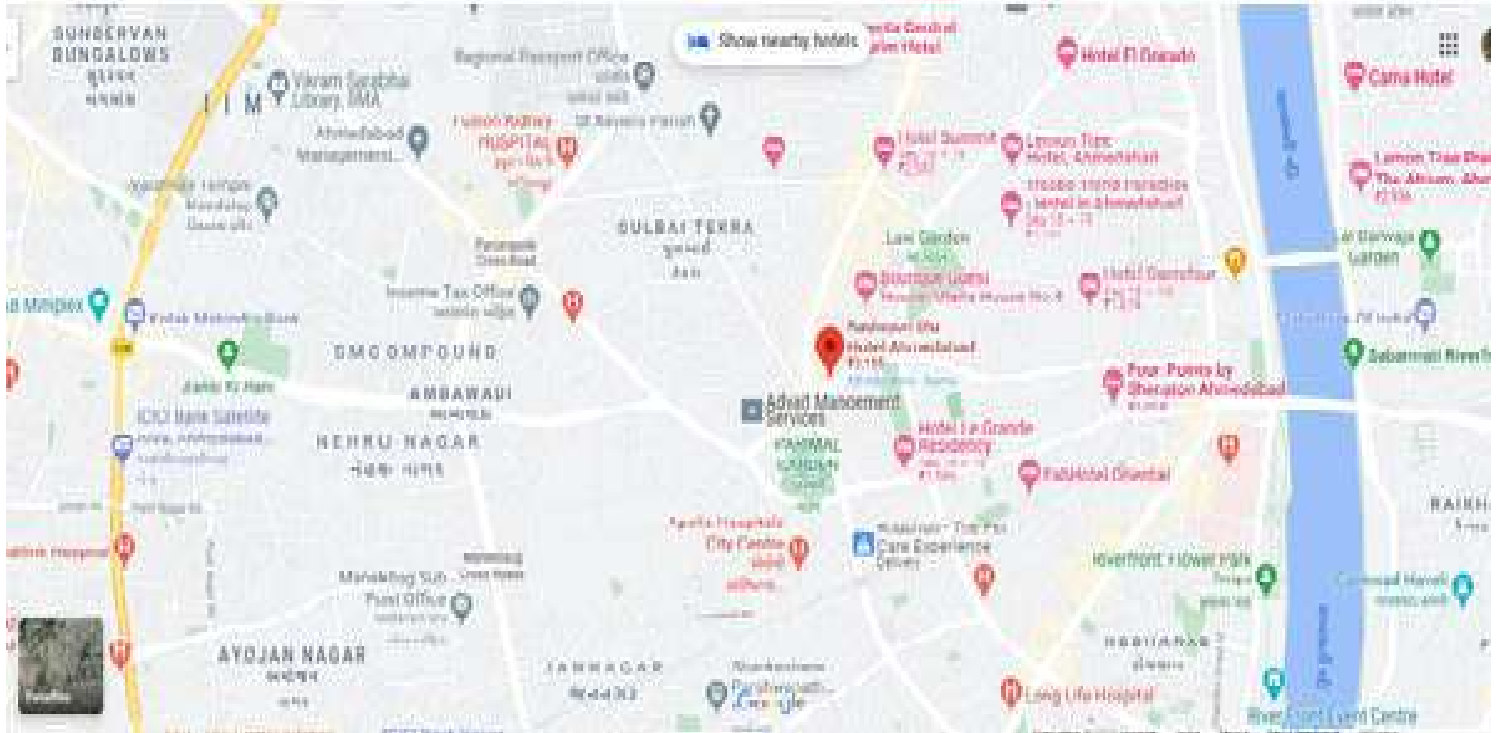
Particulars	Mr. DINESHKUMAR SAMARATAJI RAO
Director Identification Number.	06379029
Date of Birth	02/02/1948
Age.	70 Years
Educational Qualification.	B Com
Experience (No. of Years)	35 Years
Business field in which Experience.	Steel Business
Date of Appointment as Director in the Company.	19/09/2012
Directorship held in any other Company.	NIL
Member of any Committees of the Directors in the Company.	BONZERS INTRADE PRIVATE LIMITED
Member of any committees of the Directors in other Companies with names of the Company.	N.A
Member of any Trade Association/ Charitable Organization/ NGOs etc.	N.A

DATE: 31st AUGUST, 2020
PLACE: Ahmedabad

BY ORDER OF THE BOARD OF DIRECTOR OF
HEERA ISPAT LIMITED

SD/-
(DINESHKUMAR S. RAO)
MANAGING DIRECTOR
DIN: 06379029

MAP ROUTE TO THE AGM VENUE:



DIRECTORS' REPORT

To,
The Members,
SHREE GANESH ELASTOPLAST LIMITED.

Dear Shareholders,
Your directors have pleasure in presenting herewith the 28th Audited Annual Report for the year ended on 31st March, 2020 of your Company.

Financial Results:

The Financial performance of the company during the year is as under:

PARTICULARS	FOR THE YEAR ENDED ON 31/03/2020	FOR THE YEAR ENDED ON 31/03/2019
Income from Sales (Net)	-	-
Other Income	13,03,060	16,15,656
Total Income	13,03,060	16,15,656
Total Expenses	8,09,966	10,32,921
Profit Before Tax	(72,21,392)	5,82,735
Depreciation	-	-
Tax Expenses	-	-
Deferred Tax	(15,38,766)	4,14,429
Profit / (Loss) After Tax.	(51,89,532)	1,68,306
Net Profit / (Loss) for the Year	(51,89,532)	1,68,306

OPERATIONAL OVERVIEW:

During the year the company has earned total income of Rs. 13,030,60/- compared to Previous year of 1615656/- and total expenses of Rs.8,09,966/- compared to Previous year of Rs. 1032921/-. After deduction of depreciation of Rs. NIL (Previous Year Nil), the company has earned a net profit after tax of Rs.(51,89,532)/- (Previous year: 1,68,306/-). Due to challenging environment, the company incurred above mentioned losses. However, the management is optimistic about future growth.

DIVIDEND:

In the view of carried forward losses, Board does not recommend any dividend for the year under review.

PERFORMANCE:

The company has made net loss of Rs. (51,89,532)/- at the end of the Financial Year. The company has making net profit during the last two years.

DETAILS OF THE ASSOCIATES/ JOINT VENTURE / SUBSIDIARIES COMAPANIES:

The company does not have holding or subsidiary companies during the year and no other company has become holding / subsidiary/ joint venture.

SHARE CAPITAL STRUCTURE:

During the year under review there were no changes in the Authorized, Issued, Subscribed and Paid up Share Capital Structure of the Company.

FIXED DEPOSIT:

The Company has not accepted any public deposit during the year under review and no amount against the same was outstanding at the end of the year.

REGULATORY STATEMENT:

In conformity with Regulations of SEBI (Listing Obligation and Disclosure Requirement)2015, the Cash Flow Statement for the year ended 31.03.2020 is annexed hereto. The equity shares of the Company are listed on the BSE Ltd. The Company has paid listing fees for the year 2019-20 to BSE.

CORPORATE GOVERNANCE:

The Company's Total paid up equity share capital is less than Rs. 10 crores and its total Net worth is less than Rs. 25 crores, Hence, the Company is being treated as Small Company and as such as per SEBI (LODR) 2015 Regulation Number: 15(2) your company is exempt from making compliance with Regulations No. 17 to 27, Clause- B to I of Sub Regulation 2 of Regulation 45 and Para C, D and E of Schedule V. Accordingly, except the statement on " Management Discussion and Analyses Report," your Directors have though formed the sub Committees of the Board as per requirements of Corporate Governance and they are operational, however, no detailed Report on Compliance with Conditions of Corporate Governance report are given here with. The Company is exempted from providing report on Corporate Governance in accordance with regulation 34(3) and schedule V(C) to the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015.

INTERNAL AUDITOR:

The Company has not appointed an Independent firm of Chartered Accountants to act as an Internal Auditor as per suggestion of auditors and recommendation of the Audit Committee in order to strengthen the internal control system for the Company.

CORPORATE SOCIAL RESPONSIBILITY:

The provisions of Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014 are not applicable to your Company.

DEMATERIALISATION OF SECURITIES:

Your Company's Equity shares are admitted in the System of Dematerialization by both the Depositories namely NSDL and CDSL. The Company has signed tripartite Agreement through Registrar and Share Transfer Agent M/s Skyline Financial Services Pvt. Ltd. The Investors are advised to take advantage of timely dematerialization of their securities. The ISIN allotted to your Company is INE025D01013. Total Share dematerialized up to 31st March 2020 were 5348600 which constitute 90.91% of total capital. Your Directors request all the shareholders to dematerialize their shareholding in the company as early as possible.

DETAILS OF RELATED PARTIES TRANSACTIONS PURUSANT TO SECTION 188(1) OF THE COMPANIES ACT, 2013:

The Company has not entered into related parties' transactions for sale/purchase of goods or services at preferential prices. However, all the transactions in the nature of sales/purchase of goods or services are made on arm's length basis. The same were reported to the Board at every meeting and Board took a note of the same and approved. Other details for inter corporate financial transactions or remuneration and other benefits paid to directors, their relatives, key managerial personnel etc. are given in the notes to the accounts vide note no 31 as per requirements of AS 18. Company has formulated various other policies such as Evaluation of Board Performance Policy etc. All such policies were documented and adopted by the Board in its meeting held on 10th February, 2017.

As the Company is loss making one, the provisions related to CSR is presently not applicable to the Company.

Regarding Performance Review of each of the member of the Board and also the performance of the various Committees and the Board, the Company has adopted the Model Code of Conduct for Independent Directors, Key Managerial Personnel as prescribed in Schedule IV to the Companies Act, 2013 and also as prescribed in the SEBI (Insider Trading) Regulations. The Company strictly follows the procedure to obtain necessary timely declarations from each of the directors and key managerial personnel.

Management's Discussion and Analysis:

Management's discussion and perceptions on existing business, future outlook of the industry, future expansion and diversification plans of the Company and future course of action for the development of the Company are fully explained in a separately in Corporate Governance Report.

DEPOSITS:

The company has not invited or accepted any Deposit, Loans or finance from the public in violation of section 73(1) of Companies Act 2013 or any rules made there under.

DIRECTORS:

Mr. Dineshkumar S Rao shall retire by rotation at the ensuing Annual General Meeting as per provisions of Law. He is eligible for Reappointment and offers himself for reappointment.

DETAILS OF LOANS, GUARANTEES AND INVESTMENTS U/S 186 OF THE COMPANIES ACT, 2013:

During the year under review the Company has not made any inter corporate loans, investments, given any corporate guarantee to any other body corporate, subsidiary, associate or any other company.

DETAILS OF THE BOARD AND GENERAL MEETINGS HELD AND ATTENDANCE OF DIRECTORS AT THE MEETINGS:

During the year, the company held total 6 Board meetings on 30/05/2019, 14/08/2019, 30/09/2019, 14/11/2019, 14/02/2020 & 01/03/2020. All the Directors were present at all the board meetings to consider various businesses and pass necessary resolutions.

The Company has disclosed all the material information to the stock exchanges and the Registrar of Companies Office in time as per requirements of law and SEBI (LODR) 2015.

Directors present at the Meeting of board:

Sr. No.	Name of Directors	30/05/2019	14/08/2019	30/09/2019	14/11/2019	14/02/2020	01/03/2020
1	DINESHKUMAR SAMARATAJI RAO	YES	YES	YES	YES	YES	YES
2	PRAKASH NEMCHAND SHAH	YES	YES	YES	YES	YES	YES
3	RADHESHYAM RAMPAL PATEL	YES	YES	YES	YES	YES	YES
4	ALPESH KIRITBHAI PATEL	YES	YES	YES	YES	YES	YES

COMPOSITION OF VARIOUS COMMITTEES WITHIN THE ORGANISATION:

AUDIT COMMITTEE:

The audit committee of the Board of Directors is as under:

Sr. no.	Name	Type	No. of Meeting Attended
1.	ALPESH KIRITBHAI PATEL	Chairman	6
2.	RADHESHYAM RAMPAL PATEL	Member	6
3.	PRAKASH N SHAH	Member	6

(A) FUNCTION OF AUDIT COMMITTEE:

The audit Committee is headed by Alpesh K. Patel as Chairman. He has more than 30 years of Construction experience. He is further assisted by two non executive Independent directors namely Radheshyam R Patel . Prakash N. Shah has business experience over 30 years. He has through knowledge of working, usage and accounting for financial products, which company uses to hedge its underlying exposure.

The Committee meets at least once every quarter and prepares its minutes on the proceedings and business discussed and transacted. All committee reports and minutes are placed before the Board in all its meetings for information, guidance, directions and record keeping. In addition, the Committee also reviews the reports of the Internal Auditors and obtains guidance from the internal auditors, statutory auditors and other professionals of corporate repute from time to time to make timely compliances and payment of statutory dues.

(B) ROLE AND RESPONSIBILITY OF AUDIT COMMITTEE:

The Committee acts as a bridge between the Statutory and the Internal Auditors and the Board of Directors of the Company. It is authorized to select and establish accounting policies, review reports of the Statutory and the Internal Auditors and meet with them to discuss and deliberate their suggestions, findings and other related matters. Further, the committee is authorized to, inter alia, monitor, review and evaluate the Auditor's independence, performance and effectiveness of the audit process, oversight of the Company's financial reporting process and the disclosure of its financial information, and review the quarterly, half yearly and annual financial statements before submission to the Board for approval. Further the committee is liable to examine the financial statements and the Auditors' Report thereon, approve transactions of the Company with its related

parties including consequent modifications thereof, grant omnibus approvals subject to fulfillment of certain conditions, analyze inter-corporate loans and investments, valuation of undertakings or assets of the Company wherever it is necessary. Further, it is also empowered to review the Management Discussion and Analysis of financial condition and results of operations and statement of significant related party transactions. It also looks into any other matter as referred to it by the Board of Directors from time to time.

Generally, all the items stated in Section 177(4) of the Companies Act, 2013 and Point A of Part C of the Schedule II of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 are covered under the roles of the Audit Committee. The Audit Committee has been granted powers as prescribed under provisions of the Regulation 18(2)(c) of the aforesaid Regulations and reviews all the information as prescribed in Point B of the Part C of the Schedule II of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

SHAREHOLDERS' / INVESTORS' GRIEVANCE COMMITTEE:

(A) TERMS OF REFERENCE:

Shareholders' / Investor Grievance committee looks into investor complaints if any, and redresses the same expeditiously. Beside the committee approves allotment, transfer & transmission of shares, debentures, any new certificates on split \ consolidation \ renewal etc. as may be referred to it by the Board of Directors. In addition the committee also looks in to compliance with stock exchange listing agreement and circulation of shareholder and general public interest information through proper media and stock exchanges from time to time.

(B) FORMATION:

The Shareholders' / Investors Grievance Committee presently comprise all Non Executive Directors. During the year the Committee held 12 meeting (Last Saturday of every month) The Attendance of Members at the Meeting was as follows:

Sr. no.	Name	Type	No. of Meeting Attended
1.	ALPESH KIRITBHAI PATEL	Chairman	12
2.	RADHESHYAM RAMPAL PATEL	Member	12
3.	PRAKASH N SHAH	Member	12

(C) FUNCTIONS OF INVESTORS SERVICES COMMITTEE:

The company has merged in this committee its earlier committee of share Transfer. This Committee looks in to all aspects related to Shares, Bonds Securities and retail investors. The committee also looks after the dematerialization process of equity shares. The Committee is also empowered to keep complete records of shareholders, statutory registers relating to shares and securities, maintaining of the complete record of share dematerialized, and complaints received from investors and other various agencies.

The committee meets every month to approve all the cases of shares demat, transfer, issue of duplicate and resolution of the investors' complaints, submission of information to various statutory authorities like NSDL / CDSL, SEBI, stock Exchanges, Registrar of companies periodically. Other roles duties powers etc. have been clearly defined in line with the Regulation 20 of listing obligation and disclosure requirement rules of SEBI and kept flexible by the Board from time to time.

NOMINATION AND REMUNERATION COMMITTEE:

The Nomination and Remuneration committee comprises all 3 independent Directors which are as under:

Sr. no.	Name	Type	No. of Meeting Attended
1.	ALPESH KIRITBHAI PATEL	Chairman	5
2.	RADHESHYAM RAMPAL PATEL	Member	5
3.	PRAKASH N SHAH	Member	5

(A)TERMS OF REFERENCE:

The remuneration committee comprises of all non-executive Independent directors.

- (i) To ascertain the requirements of and appointment of Key Managerial personals.
- (ii) To prescribe rules, regulations, policy, requirements of qualifications and experience of key managerial personnel.
- (iii) To decide the terms of conditions of employment and responsibilities, authorities of all executive directors, Managing Director and to ensure that they discharge their duties diligently and report to Board regularly.
- (iv) To fix the remuneration payable to Managing Director, Executive Director, Whole Time Directors.
- (v) To decide on distribution of profits as commission amongst various executive and non-executive directors.
- (vi) To design, frame and make policy for remuneration payable for key managerial personnel and up to 3rd rank departmental heads by way of issue of shares as ESOP or stock options or otherwise including to provide staff loans/ advances to subscribe to any ESOPs or Stock options by employees of the company.

Further except the cash reimbursement of actual expenses incurred by directors, no other benefits in the form of stock options or ESOP etc. are being offered to any directors of the Company or to any key managerial personnel for the year. As the company has long overdue accumulated losses in its books of accounts; it is not paying any sitting fees or commission of net profit or any other remuneration in kind to any of its directors. The Company does not have any key managerial personnel receiving remuneration of more than Rs. 200,000/- Per Month. The company is regular in labor compliances and payment of statutory labor dues with relevant authorities in time.

Other function roles duties powers etc. have been clearly defined in line with the Regulation 19 of listing obligation and disclosure requirement rules of SEBI and kept flexible for medication by the Board from time to time.

NUMBER OF BOARD AND COMMITTEE MEETING HELD DURING THE YEAR:

Name of the Committee	No. of Meeting held
Board Of Directors	6
Audit Committee of Board	6
Nomination Remuneration Committee	5
Shareholders' /Investor Grievance Committee	12

DECLARATION BY INDEPENDENT DIRECTORS:

(Pursuant to Provisions of section 149(6) OF the Companies Act 2013)

All the Independent Directors of the Company do hereby declare that:

- (1) All the Independent Directors of the Company are neither Managing Director, nor a Whole Time Director nor a Manager or a Nominee Director.
- (2) All the Independent Directors in the opinion of the Board are persons of integrity and possesses relevant expertise and experience.
- (3) Who are or were not a Promoter of the Company or its Holding or subsidiary or associate company.
- (4) Who are or were not related to promoters or directors in the company, its holding, subsidiary or associate company
- (5) Who has or had no pecuniary relationship with the company, its holding, subsidiary or associate company or their promoters or directors, during the two immediately preceding financial years or during the current financial year.
- (6) None of whose relatives has or had pecuniary relationship or transaction with the company, its holding, subsidiary, or associate company, or their promoters, or directors, amounting to two per cent or more of its gross turnover or total income or fifty lacs rupees or such higher amount as may be prescribed, whichever is lower, during the two immediately preceding financial years or during the current financial year,
- (7) Who neither himself, nor any of his relatives,
 - (a) Holds or has held the position of a key managerial personnel or is or has been employee of the company or its holding, subsidiary or associate company in any of three financial years immediately preceding the financial year in which he is proposed to be appointed.
 - (b) Is or has been an employee or proprietor or a partner, in any of the three financial years immediately preceding the financial years in which he is proposed to be appointed of
 - (i) A firm of auditors or company secretaries in practice or cost auditors of the company or its holding, subsidiary or associate company; OR
 - (ii) Any legal or a consulting firm that has or had any transaction with the company, its holding, subsidiary or associate company amounting to ten per cent, or more of the gross turnover of such firm;
 - (iii) Holds together with his relatives two per cent, or more of the total voting power of the company; OR
 - (iv) Is a Chief Executive or director, by whatever name called, or any non-profit organization that receives twenty five per cent or more of its receipts from the Company, any of its promoters, directors or its holding, subsidiary or associate company or that holds two per cent or more of the total voting power of the company; OR

- (v) Who possesses such other qualifications as may be prescribed.

DIRECTORS' RESPONSIBILITY STATEMENT:

In terms of section 134 Clause (C) of Sub-Section (3) of the Companies Act, 2013, in relation to financial statements for the year 2015-16, the Board of Directors state:

- a) In the preparation of the annual accounts for the financial year ended 31st March 2019, as far as possible and to the extent, if any, accounting standards mentioned by the auditors in their report as not complied with, all other applicable accounting standards have been followed along with proper explanation relating to material departure;
- b) The Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and profit and loss account of the Company for that period;
- c) The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) The Directors have prepared the annual accounts on a going concern basis; and
- 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 have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

DECLARATION BY BOARD AS PER REQUIREMENT OF SECTION 178 (1) :

In compliance with Section 178 (1) as also in compliance with applicable Regulations of SEBI (LODR), 2015 the Board of Directors does hereby declare that:

- a. The Company has proper constitution of the Board of Directors including independent directors in proportion as per requirement of SEBI (LODR), 2015.
- b. The Company has constituted Nomination and Remuneration Committee, Stakeholders Relationship Committee, Audit Committee as per requirements of the SEBI (LODR), 2015 and provisions of the Companies Act 2013.
- c. The Company has the policy for selection and appointment of independent directors who are persons of reputation in the society, have adequate educational qualification, sufficient business experience and have integrity & loyalty towards their duties.
- d. The Company pays managerial remuneration to its Managing/Whole Time Directors based upon their qualification, experience and past remuneration received by them from their previous employers and company's financial position.
- e. The Independent Directors are not paid sitting fee.
- f. The Company is not paying any commission on net profits to any directors.
- g. During the year the Board has met 5 times during the year. The details of presence of every director at each meeting of the Board including the meetings of the Committees, if any, are given in the reports of the Corporate Governance.

SYSTEM OF PERFORMANCE EVALUATION OF THE BOARD, INDEPENDENT DIRECTORS AND COMMITTEES AND INDIVIDUAL DIRECTORS

1. The Board makes evaluation of the effectiveness and efficiency of every individual director, committee of directors, independent directors and board as a whole.
2. For these purposes the Board makes evaluation twice in a year on a half yearly basis.
3. The performance of individual directors is evaluated by the entire Board, excluding the Director being evaluated on the basis of presence of every director at a meeting, effective participation in discussion of each business agenda, feedback receives from every director on draft of the minutes and follow up for action taken reports from first line management.
4. Effectiveness and performance of various committees are evaluated on the basis of the scope of work assign to each of the committees, the action taken by the committees are reviews and evaluated on the basis of minutes and agenda papers for each of the committee meetings.
5. The performance of independent directors is evaluated on the basis of their participation at the meetings and post meeting follow up and communication from each of such independent directors.

PARTICULARS OF THE EMPLOYEES:

Particulars of the employees as required under provisions of Section 197 (12) of the Act read with Rule 5 of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 as amended from time to time, are not attached with this report since there was no employee who was in receipt of remuneration in excess of Rs. 8,50,000 per month during the year or Rs. 1.2 Cr. per annum in the aggregate if employed part of the year.

AUDITORS:

STATUTORY AUDITORS:

Ratification of Re- appointment of Statutory Auditors M/s. Naresh J Patel & Co., a peer reviewed firm of Chartered Accountants, for the Company for the year 2020-21 and to hold the office as such from the date of conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting and to fix their remuneration with the Board of Director in their Meeting.

SECRETARIAL AUDITOR:

The Company has appointed M/s. KAMLESH SHAH & SHAH CO. as the secretarial auditor for the financial year 2019-20. They have given their report in the prescribed form MR-3 which is annexed to this report as an ANNEXURE A.

STATUTORY INFORMATION:

The Information required to be disclosed in the report of the Board of Directors as per the provisions of Section 134 of the Companies Act-2013 and the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules 1988 regarding the conservation of energy; technology absorption, foreign exchange earnings and outgo are not applicable to the company. As Company is not manufacturing any product or providing any services.

MATERIAL CHANGES / INFORMATION:

1. No material changes have taken place after the closure of the financial year up to the date of this report which may have substantial effect on the business and financial of the Company.
2. No significant and material orders have been passed by any of the regulators or courts or tribunals impacting the going concern status and companies operations in future.

APPRECIATION

Your Directors place on record their sincere appreciation for the valuable support and co-operation as received from government authorities, Financial Institutions and Banks during the year. The Directors are also thankful for the support extended by Customers, Suppliers and contribution made by the employees at all level. The Directors would also like to acknowledge continued patronage extended by Company's shareholders in its entire endeavor.

Date: 31ST August,2020
Pace: Ahmedabad

For and On Behalf of Board of Directors
Heera Ispat Limited

SD/-
DINESHKUMAR S RAO
MANAGING DIRECTOR
DIN: 06379029

ANNEXURE TO THE DIRECTORS REPORT

FORM NO. MGT-9 EXTRACT OF ANNUAL RETURN AS ON THE FINANCIAL YEAR ENDING ON 31/03/2020

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

- 1) CIN :- L27101GJ1992PLC018101
- 2) Registration date: 05/08/1992
- 3) Name of the company : HEERA ISPAT LIMITED
- 4) Category/ sub-category of the company: Company limited by shares/ ~~Indian Non-Government Company~~
- 5) Address of the registered office and contact details: 206, Ashwarath Complex, 2nd Floor, Opp. Fortune Landmark Hotel, Usmanpura, Ahmedabad-380013, Gujarat
- 6) Whether listed company: YES
- 7) Name, address and contact details of registrar and transfer agent (if any) :- Skyline Financial Services Pvt. Ltd

D-153/A, First Floor, Okhla
Industrial Area, Phase-1,
New Delhi 110 020.
Tel.: +91 11 26812682-83,
011-64732681 to 88
Fax : +91 11 26812682
Web: www.skylinerta.com

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

SR. No.	Name and descriptions main products/ service	NIC Code of the product/ Service	% to Total turnover of the company
1	STEEL MANUFACTURING		0%
2.	INTEREST INCOME	65	100%

PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES –

SR. NO.	NAME AND ADDRESS OF THE COMPANY	CIN/GLN	CONCERN	% of shares held by COMPANY	APPLICABLE SECTION
NIL	NIL	NIL	NIL	NIL	NIL

				total share s				
1	Dharmendra Mistry	10,60,900	18.03	0	1060900	18.03	0	0
	Total	10,60,900	18.03	0	10,60,900	18.03	0	0

(iii) Change in Promoter's Shareholding (Please Specify, If There Is No Change)

There is No change in the shareholding of the promoters during the financial year 2019-20

(iv) Shareholding pattern of top ten shareholders (other than directors, promoters and holders of GDRs and ADRs)

		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Keena M Kothari	384815	6.54	384815	6.54
2	Dimple Shah	211000	3.59	211000	3.59
3	Hetal D Shah	210000	3.57	210000	3.57
4	Rajeshkumar Patel	200000	3.40	200000	3.40
5	Chintan H Chowdary	175000	2.97	175000	2.97
6	KinjalChintanChowdary	175000	2.97	175000	2.97
7	Harilal V Chowdary	175000	2.97	175000	2.97
8	Kamala H Chowdary	175000	2.97	175000	2.97
9	Pankaj Dahyalal Shah	160000	2.72	160000	2.72
10	DaxeshDahyalal Shah	158000	2.69	158000	2.69
	TOTAL	2023815	34.39	2023815	34.39

(v) Shareholding of directors and key managerial personnel:

1	Mr. Dharmeshkumar Mistry	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company

	At the beginning of the year	1060900	18.03	1060900	18.03
	Datewise Increase/Decrease in Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	Promote Transfer	(No Change)	(No Change)	(No Change)
		Inter Se Transfer	(No Change)	(No Change)	(No Change)
		By Gift	(No Change)	(No Change)	(No Change)
	At the end of the year	1060900	18.03	1060900	18.03

(vi) INDEBTEDNESS

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

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

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

SN.	Particulars of Remuneration	Name of MD/WTD/Manager	Total Amount
		Mr. DINESHKUMAR SAMARATAJI RAO	NIL
1	Gross salary	NIL	NIL

	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	NIL	NIL
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	NIL	NIL
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	NIL	NIL
2	Stock Option	NIL	NIL
3	Sweat Equity	NIL	NIL
4	Commission - as % of profit - others, specify...	NIL	NIL
5		NIL	NIL
	Total (A)	NIL	NIL

B. Remuneration to other directors:

SN.	Particulars of Remuneration	Name of Directors					
1	Independent Directors	Mr. Alpesh Patel	Mr. Radheshyam Rampal Patel	Mr. Prakash Shah			
	Fee for attending board committee meetings	NIL	NIL	NIL	NIL	NIL	NIL
	Commission	NIL	NIL	NIL	NIL	NIL	NIL
	Others, please specify (Remuneration)	NIL	NIL	NIL	NIL	NIL	NIL
	Total (1)	NIL	NIL	NIL	NIL	NIL	NIL
2	Other Non-Executive Directors						
	Fee for attending board committee meetings	NIL	NIL	NIL	NIL	NIL	NIL
	Commission	NIL	NIL	NIL	NIL	NIL	NIL
	Others, please specify	NIL	NIL	NIL	NIL	NIL	NIL
	Total (2)	NIL	NIL	NIL	NIL	NIL	NIL
	Total (B)=(1+2)	NIL	NIL	NIL	NIL	NIL	NIL
	Total Managerial Remuneration	NIL	NIL	NIL	NIL	NIL	NIL

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

SN	Particulars of Remuneration	Key Managerial Personnel		
		CS	CFO	Total
		ATULABEN JAGDISHBHAI PATEL (W.e.f: 01/03/2019)	SUHAG V SHAH	
1	Gross salary	15,000	1,20,000	N.A.
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	N.A.	N.A.	N.A.
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	N.A.	N.A.	N.A.
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	N.A.	N.A.	N.A.
2	Stock Option	N.A.	N.A.	N.A.
3	Sweat Equity	N.A.	N.A.	N.A.
4	Commission	N.A.	N.A.	N.A.
	- as % of profit	N.A.	N.A.	N.A.
	others, specify...	N.A.	N.A.	N.A.
5	Others, please specify	N.A.	N.A.	N.A.
	Total	15,000	1,20,000	N.A.

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)
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A. COMPANY

Penalty	No	No	No	No	No
punishment	No	No	No	No	No
compounding	No	No	No	No	No

B. DIRECTORS

Penalty	No	No	No	No	No
punishment	No	No	No	No	No
compounding	No	No	No	No	No

C. OTHER OFFICERS IN DEFAULT

Penalty	No	No	No	No	No
punishment	No	No	No	No	No
compounding	No	No	No	No	No

FORM NO. MR-3

SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED ON MARCH 31, 2020

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

To,
The Members,
HEERA ISPAT LIMITED
CIN: L27101GJ1992PLC018101

I/we have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **HEERA ISPAT 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 records of **HEERA ISPAT 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 31st March 2020** complied with the statutory provisions listed hereunder and also that the company has proper Board-processes and compliances 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 record maintained by HEERA ISPAT LIMITED (CIN: L27101GJ1992PLC018101) for the financial year ended on March 31, 2020 according to the provisions of:

(i) The Companies Act, 2013 (the Act) and the rules made there under; **except that though the Company has appointed the Chief Financial Officer and Company Secretary in full time employment, they have not signed the Financial Statements as per requirements of Section 134(1) of the Companies Act 2013.**

(ii) The Securities Contracts (Regulations) Act, 1956 ('SCRA') and the rules made there under;

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under; Foreign Exchange Management Act, 1999 and the rules and regulation made thereunder to the

extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings:**(NOT APPLICABLE FOR THE YEAR UNDER REVIEW)**

(iv) 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 Takeover) Regulations, 2011;

(b) The Securities and Exchange Board of India (Prohibition of Insider Training)Regulations, 1992;

(c)The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;

(d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; **(NOT APPLICABLE FOR THE YEAR UNDER REVIEW)**

(e)The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **(NOT APPLICABLE FOR THE YEAR UNDER REVIEW)**

(f) The Securities and Exchange Board of India (Registrar 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 FOR THE YEAR**

(h) The Securities and Exchange Board of India (Buyback of Securities)Regulations, 1998; **(NOT APPLICABLE FOR THE YEAR UNDER REVIEW)**

(v) As stated in the **Annexure – A** – all the laws, rules, regulations are applicable specifically to the company.

(vii) No other major corporate events occurred during the year and various compliances made by the Company with applicable Laws, Rules, Regulations, and Listing Regulations.

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India and applicable w.e.f July 01, 2015 or any amendment, substitution, if any, are adopted by the Company and are complied with.
- (ii) The Listing Agreements entered into by the Company with the B S E Limited and the provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 **Except that the Website of the Company is NOT FUNCTIONAL**

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

I further report that

The board of directors of the company is not duly constituted. It has no Woman Director on its Board during the year. However, it has Proper balance of One Managing Director as Executive director and 3 Non Executive Independent Directors with Chief Financial Officer and a Company Secretary. During the year there were following changes in the constitution of the Board of Directors and KMP within the Company.

- (1) Main Promoter Director Mr. Dharmesh Rameshchandra Mistry had Resigned as Director of the Company w.e.f. 14/06/2019.**
- (2) Ms. Neelam Gurbaxani Resigned from the Company as Company Secretary w.e.f. 14th May, 2019**
- (3) Ms. ATULABEN JAGDISHBHAI PATEL is appointed as Company Secretary w.e.f. 01/03/2020.**
- (4) Company has not Appointed Internal Auditors as per Section 139 of the Companies Act, 2013.**

However the company has regularly filed all the required forms for above changes in the office of the Registrar of Companies in time and has also intimated to Stock Exchange.

We further report that the website of the Stock Exchange BSE Ltd still shows following persons as Directors, even though they are as on date not the directors of the Company. The Company needs to take adequate steps to update BSE in this regard.

- (1) Mr. Rameshchandra Mistry, as Chairman And Director (Promoter)**
- (2) Mr. Ramanugrah Singh as Non Executive Independent Director.**
- (3) Ms. Trupti Dhaval Jain, as Non Executive Independent Woman Director.**
- (4) Mr. Dinesh S. Rao, Executive Managing Director's name is not appearing on BSE website.**

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 or with consent of directors at a shorter notice, and a system exists for seeking and obtaining further information and clarification on the agenda items before the meeting and for meaningful participation at the meeting. Majority decision is carried through while the dissenting members' views, if any, are captured and recorded as part of the minutes.

I Further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliances with applicable laws, rules, regulations and guidelines.

I further report that during the audit period, in the company there was no specific event / action that can have a bearing on the company's compliance responsibilities in pursuance of the above referred laws, rules, regulations, guideline, standards, except our observation as aforesaid paragraphs.

We draw the attention to the Report of the Statutory Auditors and financial statements regarding

- (1) NON Operations of any business activities and revenue generation activities within the company during the Year.***
- (2) Booking of the Impairment Loss on the Long term Investments made by company in the Preference share capital of M/s. Heavy Metals and Tubes Ltd and also the Booking of Rs.72.21 Lacs of impairment Loss in the Long term Loans and Investments given to the said company.***

Place: Ahmedabad
Date: August 14, 2020

FOR KAMLESH M. SHAH & CO.,
PRACTICING COMPANY SECRETARIES

(KAMLESH M. SHAH)
PROPREITOR
ACS: 8356, COP: 2072

“ANNEXURE-A”

Securities Laws

1. All Price Sensitive Information were informed to the stock exchanges form time to time
2. All investors’ complaint directly received by the RTA & Company is recorded on the same date of receipts and all are resolved within reasonable time.
3. The Company has paid all dues of the Stock Exchanges including the Annual Listing Fees.

Labour Laws

1. All the premises and establishments have been registered with the appropriate authorities.
2. The Company has not employed any child labour/ Bonded labour in any of its establishments.
3. Provisions with relate to compliances of PF/ESI/Gratuity Act are NOT applicable to Company during the year under review.
4. There was no incidence of Sexual Harassment to any of the Female/ Women employee of the Company.

Environmental Laws

During the year under review there was no manufacturing business activities in the Company. The Provisions of the Environmental laws and regulations relating to obtaining any specific permissions or licenses if any are not applicable to the company during the year.

Taxation Laws

The company follows all the provisions of the Indirect taxation laws and Income Tax Act, 1961 and filing the returns at proper time with Income tax department and all other applicable departments.

Place: Ahmedabad
Date: August 14, 2020

FOR KAMLESH M. SHAH & CO.,
PRACTICING COMPANY SECRETARIES

(KAMLESH M. SHAH)
PROPREITOR
ACS: 8356, COP: 2072

ANNEXURE B

To
The Members,
HEERA ISPAT LIMITED
CIN: L27101GJ1992PLC018101
206, Ashwarath Complex, 2nd Floor,
Opp. Fortune Landmark Hotel, Usmanpura,
Ahmedabad 380013 Gujarat India

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

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events.
5. The compliance of the provisions of corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures and compliances done are on test basis.
6. The secretarial audit report is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.
7. We have relied on Management Representation Letter provided by the Company before issuing this Report to the Company.

Place: Ahmedabad
Date: August 14, 2020

FOR KAMLESH M. SHAH & CO.,
PRACTICING COMPANY SECRETARIES

(KAMLESH M. SHAH)
PROPRIETOR
ACS:8356 COP: 2072

INDEPENDENT AUDITOR'S REPORT

To the members of Heera Ispat Limited

Report on the Audit of the Financial Statements

We have audited the financial statements of Heera Ispat Limited (“the Company”) vide certificate of incorporation no: L27101GJ1992PLC018101, which comprise the balance sheet as at 31st March 2020, and the statement of profit and loss, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information [herein to referred as “the financial statements”]

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 (“the Act”) in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, and its profit/loss, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

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

Basis for Qualified Opinion

- a. As discussed in Note 21, the Company has Rs. Nil (Previous year Rs. Nil) revenue from operations. The company has been unable to conclude negotiation or obtain business orders. In view of the management’s expectation of the successful business agreement in near future, the financial statements have been prepared on a going concern basis. This situation indicates that a material uncertainty exists that may cast significant doubt on the Company’s ability to continue as a going concern. The financial statements do not adequately disclose this matter.

- b. As discussed in Note 22, the company has recognized impairment loss of Rs. 72.21 lakhs comprising of Rs. 31.08 lakhs for investment in preference shares and Rs. 41.13 lakhs for loans and advances. The assessment involves significant management judgment and estimates on the valuation methodology. In view of aforesaid, we are unable to obtain sufficient appropriate audit evidence regarding basis of management estimation.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be key audit matters to be communicated in our report.

Description of key audit Matter	Auditors' Response
<p><u>Impairment of Loans and Advances:</u></p> <p>The Company has advanced loan to Heavy Metal & Tubes Ltd. The party has undergone into liquidation and filed petition with NCLT. Given the process is ongoing the Management applies significant judgement when considering whether and how much, to provide for the potential exposure of such loan amount.</p> <p>We focused on this area given the number, complexity and magnitude of potential exposures across the Company, the judgement necessary to determine whether and what amounts to provide for and/or to disclose.</p>	<p>We discussed the status of significant known actual and potential litigation with management and directors who have knowledge of this matter. We challenged the decision and rationale for decisions not to record provisions.</p> <p>The ongoing process of liquidation of related party is pending at NCLT and the company has recognized impairment loss of Rs. 72.21 lakhs. The assessment involves significant management judgment and estimates on the valuation methodology. In view of aforesaid, we are unable to obtain sufficient appropriate audit evidence regarding basis of management estimation.</p>

Responsibilities of Management and Those Charged with Governance for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, (changes in equity) and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the financial statements.

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materially and qualitative factors in (i) Planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

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

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and

other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

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

Report on Other Legal and Regulatory Requirements

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

2. As required by Section 143(3) of the Act, based on our audit 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 and proper returns adequate for the purposes of our audit have been received from the branches not visited by us.
- (c) The reports on the accounts of the branch offices of the Company audited under Section 143(8) of the Act by branch auditors have been sent to us and have been properly dealt with by us in preparing this report.
- (d) The Balance Sheet, the Statement of Profit and Loss, (the Statement of Changes in Equity) and the Cash Flow Statement dealt with by this Report are in agreement with the books of account and with the returns received from the branches not visited by us.
- (e) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (f) On the basis of the written representations received from the directors as on 31st March, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2020 from being appointed as a director in terms of Section 164(2) of the Act.

- (g) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in “Annexure B”.
- (h) With respect to the other matters to be included in the Auditor’s Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company does not have any pending litigations 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 amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For Naresh J. Patel & Co.
Chartered Accountants
(FRN: 123227W)

Place: Ahmedabad
Date: 30th June, 2020
UIDN: 20110741AAAAAN8771

Chintan N. Patel
(Partner)
Membership No: 110741

ANNEXURE A TO THE AUDITOR'S REPORT

Referred to in Paragraph 1 under 'Report on other Legal & Regulatory Requirements' section of our report to the members of **HEERA ISPAT LIMITED** of even date

1. The company has no fixed assets, thus the clause 3(l) (a), (b) and (c) are not applicable to the company.
2. As explained to us, the company has not been engaged during the year in any activity which involves inventory hence verification of stock and other related matters are not applicable.
3. According to the information and explanation given to us and on the basis of our examination of books of account, the company has not granted any loans, secured or unsecured to the parties covered in the register maintained U/s 189 of the companies act, 2013. Accordingly, clause (III) (a), (b) and (c) of the order are not applicable.
4. According to the information and explanation given to us, the Company has not granted any loans or made any investments or provided any guarantees or security to the parties covered under Section 185 and 186 of the Act. Accordingly the provisions of Clause 3(iv) of the order are not applicable to the company.
5. According to the information and explanation given to us and on the basis of our examination of books of account, the company has not accepted deposits, 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 Companies Act, 2013 and the rules framed there under are not applicable.
6. The central government has not prescribed the maintenance of cost records under section 148(1) of the Act, in respect of any of the company's products and hence clause VI of CARO 2016 is not applicable.
7. (a) According to the records of the company undisputed statutory dues including provident fund, income tax, service tax, value added tax, cess, excise duty and other material statutory dues have been regularly deposited during the year by the Company with the appropriate authorities. As explained to us, the Company did not have any dues on account of employees' state insurance & custom duty. According to the information and explanations given to us, no undisputed amounts payable in respect of the aforesaid dues were outstanding as at 31 March 2020 for a period of more than six months from the date they became payable.
(b) According to the information and explanations given to us, there are no material dues of income tax or sales tax or service tax or duty of customs or duty of excise or value added tax which have not been deposited with the appropriate authorities on account of any dispute.
8. The company has neither taken any loans or borrowing from a financial institution, bank, Government nor has issued debentures.

9. The company has not raised any moneys by way of initial public offer, further public offer (including debt instruments) and term loans. Accordingly the provision of Clause 3(ix) of the order are not applicable to the company.
10. 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 explanation given to us, we have neither come across any instances of material fraud by the company by its officers or employees, noticed or reported during the year, nor we have been informed of any such case by the management.
11. According to the information provided, managerial remuneration has been paid in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act 2013.
12. The company is not declared as Nidhi Company moreover the company does not function on the lines of Nidhi company hence the said clause of the Order is not applicable.
13. As per the information and explanation provided, the company has not entered into any transactions with the related parties that require approval under section 177 and 188 of Companies Act, 2013 and the rules thereunder. Hence clause (xiii) of the order is not applicable.
14. The company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review and hence the clause XIV is not applicable.
15. The company has not entered into any non-cash transactions with directors or persons connected with him and hence the provisions of section 192 of Companies Act, 2013 are not applicable.
16. The company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence this clause is not applicable.

For Naresh J. Patel & Co.
Chartered Accountants
(FRN: 123227W)

Place: Ahmedabad
Date: 30th June, 2020
UIDN: 20110741AAAAAN8771

Chintan N. Patel
(Partner)
Membership No: 110741

Annexure B to the Independent Auditors' Report of even date on financial statements of Heera Ispat Limited- 31 March 2020.

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

We have audited the internal financial controls over financial reporting of Heera Ispat Limited ("the Company") as of 31 March 2020 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls:

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

Auditors' Responsibility:

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting:

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial

statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting includes those policies and procedures that:

- (1) Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company;
- (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the Company; and
- (3) Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting:

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

Opinion:

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2020, 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 Naresh J. Patel & Co.
Chartered Accountants
(FRN: 123227W)

Place: Ahmedabad
Date: 30th June, 2020
UIDN: 20110741AAAAAN8771

Chintan N. Patel
(Partner)
Membership No: 110741

HEERA ISPAT LIMITED

Balance sheet as on 31st march 2020

(Rupees)

Particulars	Notes	As at 31st March 2020	As at 31st March 2019
ASSETS			
Non-current assets			
(a) Property, Plant and Equipment		-	-
(b) Financial Assets			
(i) Investments	2	1,75,00,000	1,93,04,587
(ii) Trade receivables		-	-
(iii) Loans	3	96,60,293	1,47,67,298
(iv) Others		-	-
(c) Deffered Tax Assets	4	30,19,574	14,80,807
(j) Other non current assets		-	-
Current assets			
(a) Inventories		-	-
(b) Financial Assets			
(i) Investments		-	-
(ii) Trade Receivable		-	-
(iii) Cash and cash equivalents	5	2,58,239	2,63,018
(iv) Bank balances other than (iii) above	5		
(c) Current Tax Assets (Net)	6	59,865	59,865
(d) Other current assets		-	-
TOTAL ASSETS		3,04,97,970	3,58,75,575
EQUITY AND LIABILITIES			
Equity			
(a) Equity Share capital	7	5,88,28,000	5,88,28,000
(b) Other Equity	8	(2,85,62,742)	(2,33,73,210)
Non-current liabilities			
(a) Financial Liabilities		-	-
(b) Provisions		-	-
Current liabilities			
(a) Financial Liabilities			
(i) Trade payables	9	87,261	3,13,794
(ii) Other financial liabilities		-	-
(b) Other current liabilities		1,390	3,390
(c) Provisions	10	1,44,060	1,03,600
TOTAL EQUITY AND IABILITIES		3,04,97,970	3,58,75,575
Summary of Significant Accounting Policies	1		

The accompanying notes are an integral part of the financial statements

As per our report of even date attached herewith

For Naresh J. Patel & Co.

Chartered Accountants

Firm Reg. No. 123227W

For Heera Ispat Ltd.

Chintan N. Patel

(Partner)

M. No. 110741

Place : Ahmedabad

Date : 30/06/2020

Dinesh Rao

Director

Place : Ahmedabad

Date : 30/06/2020

Prakash N. Shah

Director

HEERA ISPAT LIMITED
Profit and loss statement for the year ended 31st march 2020

(Rupees)

Particulars	Notes	As at 31st March 2019	As at 31st March 2019
Revenue from operations		-	-
Other income	11	13,03,060	16,15,656
Total Income		13,03,060	16,15,656
Expenses			
Employee benefits expense	12	1,57,000	4,20,000
Finance costs	13	-	-
Depreciation and amortization expense		-	-
Listing Fees		3,54,000	2,95,000
Other expenses	14	2,98,966	3,17,921
Total expenses		8,09,966	10,32,921
Profit/(loss) before exceptional items and tax		4,93,094	5,82,735
Exceptional Items	22	(72,21,392)	-
Profit/(loss) before tax		(67,28,298)	5,82,735
Tax expense:			
Current tax		-	-
Income tax of earliar year		-	-
Deferred tax		(15,38,766)	4,14,429
Profit/(loss) for the period		(51,89,532)	1,68,306
Other Comprehensive Income			
Items that will not be reclassified to profit or loss		-	-
Income tax relating to iteams that will not be reclassified to profit and loss account		-	-
Total Comprehensive Income for the period		(51,89,532)	1,68,306
Earnings per equity share (for continuing operation):			
Basic		(0.88)	0.03
Diluted		(0.88)	0.03
Summary of Significant Accounting Policies	1		

The accompanying notes are an integral part of the financial statements

As per our report of even date attached herewith
For Naresh J. Patel & Co.
Chartered Accountants
Firm Reg. No. 123227W

For Heera Ispat Ltd.

Chintan N. Patel
(Partner)
M. No. 110741
Place : Ahmedabad
Date : 30/06/2020

Dinesh Rao
Director

Prakash N. Shah
Director
Place : Ahmedabad
Date : 30/06/2020

Heera Ispat Limited

CASH FLOW STATEMENT FOR THE YEAR 2019-20

(Rupees)

PARTICULARS	31-Mar-20	31-Mar-19
	Amt (Rs)	Amt (Rs)
<u>A. CASH FLOW FROM OPERATING ACTIVITIES:</u>		
Profit before tax	(67,28,298)	5,82,735
<u>Non-cash adjustment to reconcile profit before tax to net cash flows</u>		
LESS:	-	-
Exception Item	(72,21,392)	-
Interest Income Using Effective Interest Method	13,03,060	15,93,957
Operating Profit before Working Capital Changes	(8,09,966)	(10,11,222)
<u>Movement in Working Capital :</u>		
(Increase) / Decrease in Short term provisions	40,460	(98,670)
(Increase) / Decrease in Loans & Advances and Deposits	9,93,260	7,59,970
(Increase) / Decrease in other current liability	(2,000)	3,390
(Increase) / Decrease in trade payable	(2,26,533)	2,61,801
(Increase) / Decrease in Other Current Asset/current tx asset	-	(2,170)
Cash generated from / (used in) operations	8,05,187	9,24,321
Income Tax Paid	-	-
Net Cash Flow From / (Used in) Operating Activities (A)	(4,779)	(86,901)
<u>B. CASH FLOW FROM INVESTING ACTIVITIES :</u>		
Purchase Of Investment/Deposit	-	-
Net Cash Flow From / (Used in) Investing Activities (B)	-	-
<u>C. CASH FLOW FROM FINANCING ACTIVITIES:</u>		
Proceeds from share capital	-	-
Proceeds from Loan Fund	-	-
Loan Repaid	-	-
Net Cash Flow From / (Used in) Financing Activities (C)	-	-
Net Increase/ (Decrease) in Cash & Cash Equivalent (A+B+C)	(4,779)	(86,901)
Cash & Cash Equivalents at the beginning of the year	2,63,018	3,49,919
Cash & Cash Equivalents at the end of the year	2,58,239	2,63,018

The above Cash Flow Statement has been prepared under the "Indirect Method" as set in the Accounting Standard (Ind AS-7) Statements of

The amendment to Ind AS 7 Cash Flow Statement requires the entities to provide disclosures that enable users of the financial statements to understand the changes in liabilities arising from financing activities, including both changes arising from cash flow and non-cash changes, suggesting inclusion of a reconciliation between the opening and closing balances in the Balance Sheet for liabilities arising from financing activities, to meet the disclosure requirement on the financial statements due to this amendment.

As per our report of even date
For Naresh J. Patel & Co.
Chartered Accountants
Firm Reg. No. 123227W

For, HEERA ISPAT LTD.

Chintan N. Patel
(Partner)
M. No. 110741

Dinesh Rao
Director

Prakash N. Shah
Director

Place : Ahmedabad
Date : 30/06/2020

Place : Ahmedabad
Date : 30/06/2020

Statement of Change in Equity

Equity Share capital

(Rupees)

Particulars	As at 31 March 2020		As at 31 March 2019	
	No. of shares	Amt. (Rs.)	No. of shares	Amt. (Rs.)
Shares at the beginning	58,82,800	5,88,28,000	58,82,800	5,88,28,000
Addition	-	-	-	-
Deletion	-	-	-	-
Shares at the end	58,82,800	5,88,28,000	58,82,800	5,88,28,000

Other Equity

As at 31st March 2020

(Rupees)

Particulars	Reserves and Surplus				Total
	Capital Redemption Reserve	Securities Premium Reserve	General Reserve	Retained Earnings	
Balance at the beginning of the reporting period	-	-	-	(2,33,73,210)	(2,33,73,210)
Profit for the year	-	-	-	(51,89,532)	(51,89,532)
Balance at the end of the reporting period	-	-	-	(2,85,62,742)	(2,85,62,742)

As at 31st March 2019

(Rupees)

Particulars	Reserves and Surplus				Total
	Capital Redemption Reserve	Securities Premium Reserve	General Reserve	Retained Earnings	
Balance at the beginning of the reporting period	-	-	-	(2,35,41,516)	(2,35,41,516)
Profit for the year	-	-	-	1,68,306	1,68,306
Balance at the end of the reporting period	-	-	-	(2,33,73,210)	(2,33,73,210)

As per our report of even date attached herewith

For Naresh J. Patel & Co.
Chartered Accountants
Firm Reg. No. 123227W

For Heera Ispat Ltd.

Chintan N. Patel
(Partner)
M. No. 110741

Dinesh Rao Prakash N. Shah
Director Director

Place : Ahmedabad
Date : 30/06/2020

Place : Ahmedabad
Date : 30/06/2020

NOTE-02 INVESTMENT (NON-CURRENT)

(Rupees)

Particulars	Numbers	As at	As at
		31 March 2020	31 March 2019
		Amt. (Rs.)	Amt. (Rs.)
Investments recognized at Aamortised Cost			
Preference Shares of Heavy Metal Tubes Ltd. Face value of Rs. 10/- each	25,00,000	2,06,07,647	1,93,04,587
Less: Impairment during the year (Refer No 22)		(31,07,647)	-
		1,75,00,000	1,93,04,587
		1,75,00,000	1,93,04,587
TOTAL		1,75,00,000	1,93,04,587

NOTE - 03 LOANS (NON-CURRENT)

(Rupees)

	As at	As at	
	31 March 2020	31 March 2019	
		Amt. (Rs.)	Amt. (Rs.)
Other Advances - Unsecured Considered Good	1,37,74,038	1,47,67,298	
Less: Impairment during the year (Refer No 22)	(41,13,745)		
	96,60,293	1,47,67,298	
TOTAL (A+B+C)	96,60,293	1,47,67,298	

NOTE - 04 DEFERRED TAX ASSET

(Rupees)

Particulars	As at	As at	
	31 March 2020	31 March 2019	
		Amt. (Rs.)	Amt. (Rs.)
Fair Value of Financial Instrument	30,19,574	14,80,807	
TOTAL	30,19,574	14,80,807	

Movement in Deferred Tax Assets

For the year ended on March 31, 2019

(Rupees)

Particulars	As at	Credit/(charge) in the Statement of Profit and Loss	Credit/(charge) in Other Comprehensive Income	As at
	31 March 2018			31 March 2019
Fair Value of Financial Instrument	18,95,236	(4,14,429)		14,80,807
TOTAL	18,95,236	(4,14,429)	-	14,80,807

For the year ended on March 31, 2020

(Rupees)

Particulars	As at	Credit/(charge) in the Statement of Profit and Loss	Credit/(charge) in Other Comprehensive Income	As at
	31 March 2019			31 March 2020
Fair Value of Financial Instrument	14,80,807	15,38,766		30,19,574
TOTAL	14,80,807	15,38,766	-	30,19,574

COMPONENTS OF INCOME TAX EXPENSE

The major component of Income tax expense for the year ended on March 31, 2020 and March 31, 2019 are as follows:

Particulars	(Rupees)	
	As at 31 March 2020	As at 31 March 2019
Statement of Profit and Loss		
Current tax		
Current income tax	-	-
Adjustment of tax relating to earlier periods	-	-
Deferred tax		
Deferred tax expense	(15,38,766)	4,14,429
	(15,38,766)	4,14,429
Other comprehensive income		
Deferred tax on		
Net loss/(gain) on actuarial gains and losses	-	-
	-	-
	-	-
Income tax expense as per the statement of profit and loss	(15,38,766)	4,14,429

RECONCILIATION OF EFFECTIVE TAX

Particulars	(Rupees)	
	As at March 31, 2020	As at March 31, 2019
Profit before tax	(67,28,298)	5,82,735
Tax @ 25.75%	(17,32,537)	1,50,054
<i>Adjustments for:</i>		
Effect of Taxes on Carry forward Loss	2,08,566	2,65,977
Others	(14,796)	(1,602)
Tax expense / (benefit)	(15,38,767)	4,14,429

NOTE - 05 CASH AND CASH EQUIVALENTS & OTHER BANK BALANCES

Particulars	(Rupees)	
	As at 31 March 2020 Amt. (Rs.)	As at 31 March 2019 Amt. (Rs.)
Cash and Cash Equivalents		
Balances with Bank:		
- In Current Accounts	41,746	43,525
Cash on Hand	2,16,493	2,19,493
TOTAL	2,58,239	2,63,018

NOTE - 06 CURRENT TAX ASSET

Particulars	(Rupees)	
	0 Amt. (Rs.)	As at 31 March 2019 Amt. (Rs.)
Advance tax/ TDS	59,865	59,865
Provision for Tax	-	-
TOTAL	59,865	59,865

NOTE - 07 SHARE CAPITAL

(Rupees)

Particulars	0	As at
	Amt. (Rs.)	31 March 2019 Amt. (Rs.)
a) Authorised Shares: 6,000,000 (P.Y.6,000,000) Equity Shares of Rs.10/-	6,00,00,000	6,00,00,000
	6,00,00,000	6,00,00,000
b) Issued, Subscribed & Fully Paid-up Shares: 5,882,800 (P.Y.5,882,800- Equity Shares of Rs. 10/- each fully paid up	5,88,28,000	5,88,28,000
TOTAL	5,88,28,000	5,88,28,000

The company has only one class of shares referred to as Equity shares having face value of Rs. 10 /- Each holder of Equity share is entitled to 1 vote per share.

In the event of liquidation of the company, the holders of equity shares will be entitled to receive any of the remaining assets of the company, after distribution of all preferential amounts. However, no such preferential amounts exists currently. The distribution will be in proportion to the number of shares held by the shareholders.

The details of shareholders holding more than 5% shares as at 31/03/2020 and 31/03/2019 is set out below.

Name of Shareholder	As at 31 March 2020		As at 31 March 2019	
	No. of shares	% held	No. of shares	% held
Keena Kothari	3,84,815	6.54%	3,84,815	6.54%
Hasumati Mistry	7,95,700	13.53%	7,95,700	13.53%

The Reconciliation of the number of shares outstanding and the amount of share capital as at 31/03/2019 & 31/03/2018 is set out below

Particulars	As at 31 March 2020		As at 31 March 2019	
	No. of shares	Amt. (Rs.)	No. of shares	Amt. (Rs.)
Shares at the beginning	58,82,800	5,88,28,000	58,82,800	5,88,28,000
Addition	-	-	-	-
Deletion	-	-	-	-
Shares at the end	58,82,800	5,88,28,000	58,82,800	5,88,28,000

NOTE - 08 OTHER EQUITY

(Rupees)

Particulars	As at	As at
	31 March 2020 Amt. (Rs.)	31 March 2019 Amt. (Rs.)
Retained Earnings		
Balance as per last Financial year	(2,33,73,210)	(2,35,41,516)
Add : Profit for the year	(51,89,532)	1,68,306
Net Surplus/ (Deficit) in the Statement of Profit and Loss	(2,85,62,742)	(2,33,73,210)

NOTE - 09 TRADE PAYABLES

(Rupees)

Particulars	As at	As at
	31 March 2020 Amt. (Rs.)	31 March 2019 Amt. (Rs.)
Trade Payables	87,261	3,13,794
TOTAL	87,261	3,13,794

NOTE - 10 OTHER CURRENT LIABILITIES

(Rupees)

Particulars	As at 31 March 2020 Amt. (Rs.)	As at 31 March 2019 Amt. (Rs.)
Statutory Dues	1,390	3,390
TOTAL	1,390	3,390

NOTE - 11 PROVISIONS (CURRENT)

(Rupees)

Particulars	As at 31 March 2020 Amt. (Rs.)	As at 31 March 2019 Amt. (Rs.)
Provisions	1,44,060	1,03,600
TOTAL	1,44,060	1,03,600

NOTE - 12 OTHER INCOME

(Rupees)

Particulars	As at 31 March 2020 Amt. (Rs.)	As at 31 March 2019 Amt. (Rs.)
Interest Income	-	21,699
Interest Income using effective interest rate method*	13,03,060	15,93,957
TOTAL	13,03,060	16,15,656

* Due to impairment and increase of substantial credit risk during the period, interest income as per effective interest rate method is not recognised from 4th quarter of the year

NOTE - 13 EMPLOYEE BENEFIT EXPENSE

(Rupees)

Particulars	As at 31 March 2020 Amt. (Rs.)	As at 31 March 2019 Amt. (Rs.)
Directors Remuneration	-	-
Salary & Wages	1,57,000	4,20,000
TOTAL	1,57,000	4,20,000

NOTE - 14 OTHER EXPENSE

(Rupees)

Particulars	As at 31 March 2020 Amt. (Rs.)	As at 31 March 2019 Amt. (Rs.)
General Charges	-	-
Legal and Professional Charges	1,49,008	2,07,638
Office Rent	36,000	-
Office expense	4,800	-
Stamp expense	8,273	9,398
Bank Commission	885	885
Payment to Auditors		
Audit Fees	85,000	85,000
Other Advisory	15,000	15,000
TOTAL	2,98,966	3,17,921

HEERA ISPAT LIMITED

Notes to the Standalone Financial Statements

Note 15 : Financial assets and liabilities**Financial assets by category**

Particulars	As at March 31, 2020				As at March 31, 2019			
	Cost	FVTPL	FVTOCI	Amortised cost	Cost	FVTPL	FVTOCI	Amortised cost
Investments in								
- Preference shares - Unquoted	-	-	-	1,75,00,000	-	-	-	1,93,04,587
Loans	-	-	-	96,60,293	-	-	-	1,47,67,298
Cash & cash equivalents (including other bank balances)	-	-	-	2,58,239	-	-	-	2,63,018
Total Financial assets	-	-	-	2,74,18,532	-	-	-	3,43,34,903

(Rupees)

Financial liabilities by category

Particulars	As at March 31, 2020				As at March 31, 2019			
	Cost	FVTPL	FVTOCI	Amortised cost	Cost	FVTPL	FVTOCI	Amortised cost
Trade payables	-	-	-	87,261	-	-	-	3,13,794
Other financial liabilities	-	-	-	-	-	-	-	-
Total Financial liabilities	-	-	-	87,261	-	-	-	3,13,794

(Rupees)

Fair Value Hierarchy disclosure is not given since no financial instrument is measured FVTPL/FVTOCI as on 31st March, 2020 and 31st March, 2019.

HEERA ISPAT LIMITED

Notes to the Standalone Financial Statements

Note 16 : Financial risk management

The Company's principal financial liabilities comprise of trade payables and other financial liabilities. The Company's principal financial assets include loans, cash and cash equivalents.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks.

1. Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk. Financial instruments affected by market risk include investments, trade receivables, trade payables, loans and borrowings and deposits.

Interest rate risk

Company is not exposed to the Interest rate risk because it does not have any borrowings. As company does not have any borrowings, interest rate sensitivity is not provided.

Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates does not arise, since company does not deal in exports.

Other market risks

The company does not have any investemnt in Quoted investments and hence Price risk does not arise.

2. Credit Risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is not exposed to credit risk.

3. Liquidity Risk

The Company monitors its risk of shortage of funds through using a liquidity planning process that encompasses an analysis of projected cash inflow and outflow.

The Company's objective is to maintain a balance between continuity of funding and flexibility largely through cashflow generation from its operating activities and the use of bank loans. The Company assessed the concentration of risk with respect to refinancing its debt and concluded it to be low. The Company has access to a sufficient variety of sources of funding.

The table below summarises the maturity profile of the Company's financial liabilities (including future interest payable) based on contractual undiscounted payments.

Particulars						(Rupees)
	On demand	Less than 3 months	3 to 12 months	1 to 5 years	> 5 years	Total
As at year ended						
March 31, 2020						
Trade & other payables	-	87,261	-	-	-	87,261
March 31, 2019						
Trade & other payables	-	3,13,794	-	-	-	3,13,794

HEERA ISPAT LIMITED

Notes to the Standalone Financial Statements

Note 17 : Capital Management

For the purpose of the Company's capital management, capital includes issued equity capital and all other equity reserves attributable to the equity holders of the Company. There are no debts in the company.

The Company manages its capital structure and makes adjustments to it in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Company includes, within net debt, interest bearing loans and borrowings, trade and other payables, less cash and short-term deposits.

No changes were made in the objectives, policies or processes for managing capital during the years ended March 31, 2019, March 31, 2018.

HEERA ISPAT LTD.**NOTE 18 - EARNINGS PER SHARE**

Basic earning per share is computed by dividing the net profit after tax by the weighted average number of equity shares outstanding during the period.

Particulars	(Rupees)	
	Year ended 31-03-2020	Year ended 31-03-2019
Net Profit / (Loss) attributable to shareholders	(51,89,532)	1,68,306
Weighted average no. of. Equity Shares	5882800	5882800
Basic earning per share	-0.88	0.03

NOTE 19 - RELATED PARTY DISCLOSURE**Related Parties with whom transactions have taken place during the year****Key Managerial Personnel**

- | | |
|--------------------|-----------------------------|
| 1) Ramesh Mistry | 5) Radheshyam Lodha |
| 2) Dharmesh Mistry | 6) Ramanugrah Rambahalsingh |
| 3) Alpesh Patel | 7) Suhag V. Shah |
| 4) Dinesh Rao | 8) Prakash N Shah |

Name	Relationship	Nature of transaction	Transaction during the year	
			2020	2019
Suhag Shah	CFO	Remmuneration	1,20,000	1,20,000

Outstanding balance as at 31st March 2020 and 31st March 2019 is Rs. Nil.

NOTE 20 - Dues to Micro and Small Enterprises as defined under the MSMED Act , 2006

There are no dues to Micro & Small Enterprises as defined under the MSMED Act, 2006

NOTE 21

The Company has Rs. Nil revenue from operations during the year, which may cast significant doubt on company continuing as going concern. Company has taken several steps to mitigate these adverse factors. The Company was in discussion with major sporting event companies; however this business deal could not be finalized. The company is now negotiating with other companies in the same field of iron and steel. Therefore, the management believes the company shall continue as going concern.

NOTE 22 : Exceptional Item

The company has recognized impairment loss of Rs. 72.21 lakhs comprising of Rs. 31.08 lakhs for investment in preference shares and Rs. 41.13 lakhs for loans and advances as M/s Heavy Metal & Tubes Ltd. party has undergone into liquidation and filed petition with NCLT.

For Naresh J. Patel & Co.
Chartered Accountants
Firm Reg. No. 123227W

Chintan N. Patel
(Partner)
M. No. 110741

Place : Ahmedabad
Date : 30/06/2020

For, Heera Ispat Ltd.

Dinesh Rao Prakash N. Shah
Director Director

Place : Ahmedabad
Date : 30/06/2020

Heera Ispat Limited
Notes to Financial statements for the year ended 31st March 2020

Note 1 Statement of significant Accounting policies and practices

A. Significant Accounting policies

A.1. Statement of compliance with Ind AS

These financial statements are prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 as amended and other relevant provisions of the Act.

A.2. Basis of accounting

The Company maintains accounts on accrual basis following the historical cost convention, except for certain financial instruments that are measured at fair value in accordance with Ind AS.

Fair value measurements under Ind AS are categorised as below based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the company can access at measurement date;
- Level 2 inputs are inputs, other than quoted prices included in level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the valuation of assets/liabilities

A.3. Presentation of Financial Statements

The Balance Sheet and the Statement of Profit and Loss are prepared and presented in the format prescribed in the Schedule III to the Companies Act, 2013 ("the Act"). The statement of cash flows has been prepared and presented as per the requirements of Ind AS 7 "Statement of Cash flows". The disclosure requirements with respect to items in the Balance Sheet and Statement of Profit and Loss, as prescribed in the Schedule III to the Act, are presented by way of notes forming part of the financial statements along with the other notes required to be disclosed under the notified Accounting Standards and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

B. Property, Plant and Equipment (PPE)

i. Recognition and Measurement

PPE is recognised when it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably. PPE is stated at original cost net of tax/duty credits availed, if any, less accumulated depreciation and cumulative impairment, if any. Cost includes professional fees related to the acquisition of PPE and for qualifying assets, borrowing costs capitalised in accordance with the company's accounting policy.

iv. Depreciation/Amortisation

Depreciation is recognised using straight line method so as to write off the cost of the assets (other than freehold land and properties under construction) less their residual values over their useful lives specified in Schedule II to the Companies Act, 2013, or in the case of assets where the useful life was determined by technical evaluation, over the useful life so determined. Depreciation method is reviewed at each financial year end to reflect the expected pattern of consumption of the future economic benefits embodied in the asset. The estimated useful life and residual values are also reviewed at each financial year end and the effect of any change in the estimates of useful life/residual value is accounted on prospective basis.

Where cost of a part of the asset ("asset component") is significant to total cost of the asset and useful life of that part is different from the useful life of the remaining asset, useful life of that significant part is determined separately and such asset component is depreciated over its separate useful life.

Depreciation charge for impaired assets is adjusted in future periods in such a manner that the revised carrying amount of the asset is allocated over its remaining useful life.

Assets acquired under finance leases are depreciated on a straight line basis over the lease term. Where there is reasonable certainty that the company shall obtain ownership of the assets at the end of the lease term, such assets are depreciated based on the useful life prescribed under Schedule II to the Companies Act, 2013 or based on the useful life adopted by the company for similar assets.

Freehold land is not depreciated.

C. Use of Estimates and Judgements

The preparation of financial statements in conformity with Ind AS requires that the management of the company makes estimates and assumptions that affect the reported amounts of income and expenses of the period, the reported balances of assets and liabilities and the disclosures relating to contingent liabilities as of the date of the financial statements. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates include useful lives of property, plant and equipment, Intangible assets, allowance for doubtful debts/advances, future obligations in respect of retirement benefit plans, expected cost of completion of contracts, provision for rectification costs, fair value measurement etc. Difference, if any, between the actual results and estimates is recognised in the period in which the results are known.

D. Financial instruments

Financial assets and/or financial liabilities are recognised when the company becomes party to a contract embodying the related financial instruments. All financial assets, financial liabilities and financial guarantee contracts are initially measured at transaction values and where such values are different from the fair value, at fair value. Transaction costs that are attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from as the case may be, the fair value of such assets or liabilities, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss. In case of interest free or concession loans given to subsidiary companies, the excess of the actual amount of the loan over initial measure at fair value is accounted as an equity investment.

Financial assets

Classification

All recognised financial assets are subsequently measured in their entirety at amortised cost or at fair value depending on the classification of the financial assets as follows:

1. Investment in preference shares of the companies are measured at Amortised Cost I.e. Effective Interest Cost Method permissible under Ind AS 109.

Initial measurement

At initial recognition, the Company measures a financial asset when it becomes a party to the contractual provisions of the instruments and measures at its fair value except trade receivables which are initially measured at transaction price. Transaction costs are incremental costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss. A regular way purchase and sale of financial assets are accounted for at trade date.

Subsequent measurement

-Financial assets at FVTPL

These assets are subsequently measured at fair value. Net gains including any interest or dividend income, are recognized in profit or loss.

-Financial assets at amortized cost

These assets are subsequently measured at amortized cost using the effective interest method. The amortized cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognized in profit or loss. Any gain or loss on de-recognition is recognized in profit or loss.

For financial assets that are measured at FVTOCI, income by way of interest, dividend and exchange difference (on debt instrument) is recognised in profit or loss and changes in fair value (other than on account of such income) are recognised in Other Comprehensive Income and accumulated in other equity. On disposal of debt instruments measured at FVTOCI, the cumulative gain or loss previously accumulated in other equity is reclassified to profit or loss. In case of equity instruments measured at FVTOCI, such cumulative gain or loss is not reclassified to profit or loss on disposal of investments.

Derecognition

A financial asset is primarily derecognised when:

1. the right to receive cash flows from the asset has expired, or
2. the company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a pass-through arrangement; and (a) the company has transferred substantially all the risks and rewards of the asset, or b) the company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset. On derecognition of a financial asset in its entirety, the difference between the carrying amount measured at the date of derecognition and the consideration received is recognised in profit or loss.

Impairment of financial assets

The company recognises impairment loss on trade receivables using expected credit loss model, which involves use of a provision matrix constructed on the basis of historical credit loss experience as permitted under Ind AS 109 .

Financial Liabilities

i) Classification, Subsequent Measurement and Gains and Losses

Financial liabilities, including derivatives and embedded derivatives, which are designated for measurement at FVTPL are subsequently measured at fair value. Financial guarantee contracts are subsequently measured at the amount of impairment loss allowance or the amount recognised at inception net of cumulative amortisation, whichever is higher. All other financial liabilities including loans and borrowings are measured at amortised cost using Effective Interest Rate (EIR) method

Derecognition

The Company derecognizes a financial liability when its contractual obligations are discharged or cancelled, or expire.

The Company also derecognises a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on the modified terms is recognised at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognised in the profit or loss.

E. Offsetting financial instruments

The financial assets and financial liabilities are offset and presented on net basis in the Balance Sheet when there is a current legally enforceable right to set-off the recognised amounts and it is intended to either settle on net basis or to realise the asset and settle the liability simultaneously.

F. Basis of Measurement

The financial statements have been prepared on the historical cost basis except for the following items:

ITEMS	MEASUREMENT BASIS
1) Investments in Preference Share	Fair value (Amortised Cost)
3) Certain Financial Assets & Liabilities	Fair value

G. Revenue recognition

Ind AS 115 "Revenue from Contracts with Customers" provides a control-based revenue recognition model and provides a five step application approach to be followed for revenue recognition.

- Identify the contract(s) with a customer;
- Identify the performance obligations;
- Determine the transaction price;
- Allocate the transaction price to the performance obligations;
- Recognise revenue when or as an entity satisfies performance obligation.

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services.

Sale of Goods

For sale of goods, revenue is recognised when control of the goods has transferred at a point in time i.e. when the goods have been delivered to the specific location (delivery). Following delivery, the customer has full discretion over the responsibility, manner of distribution, price to sell the goods and bears the risks of obsolescence and loss in relation to the goods. A receivable is recognised by the Company when the goods are delivered to the customer as this represents the point in time at which the right to consideration becomes unconditional, as only the passage of time is required before payment is due. Payment is due within 45-120 days. The Company considers the effects of variable consideration, the existence of significant financing components, noncash consideration, and consideration payable to the customer (if any).

Other Income

- (1.) Interest income is accrued on a time basis by reference to the principal outstanding and the effective interest rate.
- (2.) Dividend income is accounted in the period in which the right to receive the same is established.

H. Taxation

Income tax comprises current and deferred tax. It is recognised in profit or loss except to the extent that it relates to a business combination or to an item recognised directly in equity or in other comprehensive income.

Income tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates (and tax laws) enacted or substantively enacted by the reporting date. Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

Deferred taxes

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the company's financial statements and the corresponding tax bases used in computation of taxable profit and quantified using the tax rates and laws enacted or substantively enacted as on the Balance Sheet date.

Deferred tax liabilities are generally recognised for all taxable temporary differences including the temporary differences associated with investments in subsidiaries and associates, and interests in joint ventures, except where the company is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax assets are generally recognised for all taxable temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax assets relating to unabsorbed depreciation/business losses/losses under the head "capital gains" are recognised and carried forward to the extent of available taxable temporary differences or where there is convincing other evidence that sufficient future taxable income will be available against which such deferred tax assets can be realised.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the company expects, at the end of reporting period, to recover or settle the carrying amount of its assets and liabilities.

Transaction or event which is recognised outside profit or loss, either in other comprehensive income or in equity, is recorded along with the tax as applicable.

I. Provisions, contingent liabilities and contingent assets

Provisions are recognised only when:

- a) the company has a present obligation (legal or constructive) as a result of a past event;
- b) it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and
- c) a reliable estimate can be made of the amount of the obligation.

Provision is measured using the cash flows estimated to settle the present obligation and when the effect of time value of money is material, the carrying amount of the provision is the present value of those cash flows. Reimbursement expected in respect of expenditure required to settle a provision is recognised only when it is virtually certain that the reimbursement will be received.

Contingent liability is disclosed in case of:

- a) a present obligation arising from past events, when it is not probable that an outflow of resources will be required to settle the obligation; and
- b) a present obligation arising from past events, when no reliable estimate is possible.

Contingent assets are disclosed where an inflow of economic benefits is probable.

Provisions, contingent liabilities and contingent assets are reviewed at each Balance Sheet date.

Department appeals, in respect of cases won by the Company, are also considered as Contingent Liabilities.

J. Cash and Cash Equivalents

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

K. Statement of Cash Flows

Statement of Cash Flows is prepared segregating the cash flows into operating, investing and financing activities. Cash flow from operating activities is reported using indirect method, adjusting the net profit for the effects of:

- i. changes during the period in inventories and operating receivables and payables transactions of a non-cash nature;
- ii. non-cash items such as depreciation, provisions, deferred taxes, unrealised foreign currency gains and losses, and undistributed profits of associates; and
- iii. all other items for which the cash effects are investing or financing cash flows.

Cash and cash equivalents (including bank balances) shown in the Statement of Cash Flows exclude items which are not available for general use as on the date of Balance Sheet.

Form No. MGT-12

Polling Paper

[Pursuant to section 109(5) of the Companies Act, 2013 and rule 21(1) (c) of the Companies (Management and Administration) Rules, 2014]

Name of the Company: HEERA ISPAT LIMITED. Registered Office: 206, Ashwarath Complex, 2nd Floor, Opp. Fortune Landmark Hotel, Usmanpura, Ahmedabad 380013, and Gujarat, India. CIN: L27101GJ1992PLC018101 NO. OF AGM: 28th ANNUAL GENERAL MEETING DATE: 27 TH SEPTEMBER, 2020 DAY: SUNDAY PLACE OF AGM: RADISSON BLUE, NEAR PANCHVATI CROSS ROADS, ELLISBRIDGE, AHMEDABAD: 380 006. TIME: 02.30 P.M.		
BALLOT PAPER		
S No.	Particulars	Details
1	Name of the first named Shareholder (In Block Letters)	
2	Postal address	
3	Registered Folio No. / *Client ID No. (*applicable to investors holding shares in dematerialized form)	
4	Class of Share	Equity
5.	Number of Shares held as on date of AGM.	

I hereby exercise my vote in respect of Resolutions enumerated below which are proposed to be passed as ORDINARY / SPECIAL RESOLUTION by recording my assent or dissent to the said resolutions in the following manner:

No.	Item No.	No. of Shares held by me	I assent to the resolution	I dissent from the resolution
1	To adopt the Audited Financial Statements of the Company for the financial year ended on 31 st March, 2020 along with the reports of Directors and Auditors thereon. (ORDINARY RESOLUTION)			
2.	TO Reappoint Mr.Dineshkumar Samrataji Rao. (DIN: 06379029) who retires by the rotation at this Annual General Meeting and eligible for reappointment (ORDINARY RESOLUTION)			
3	To Ratify the appoint M/s. For Naresh J. Patel & Co. Chartered Accountants, (FRN: 123227W) as the statutory Auditors of the Company and to fix their remuneration. (ORDINARY RESOLUTION.			

Place:

Date:

(Signature of Shareholder)

Form No. MGT- 11
[PROXY FORM]

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

FOLOI NO / CLIENT I.D.	
D.P. ID.	
D.P. NAME.	
NAME OF SHAREHOLDER	
NUMBER OF SHARE HELD	
TYPE OF SHARES HELD	
REGISTERED ADDRESS.	
E.Mail Address.	

I/We being a member of HEERA ISPAT LIMITED, holdingShares in the Company do hereby appointed

Sr.No.	Name, Address and E.Mail ID.	Specimen Signature.

OR FAILING HIM.

Sr.No.	Name, Address and E.Mail ID.	Specimen Signature.

OR FAILING HIM

Sr.No.	Name, Address and E.Mail ID.	Specimen Signature.

to remain present at the 28Th Annual General Meeting of the Company to be held on Sunday the 27th September,2020 at 02.30 P.M. at Radisson Blu, Near Panchvati Cross Roads, Ellisbridge, Ahmedabad: 380 006, Gujarat, India or at any adjournment thereof and to vote for and on my behalf if poll is granted in respect of the Resolutions as are indicated below.

Sr.No.	Description of Business/ Resolution	Type of Resolution.
(1)	Adoption of the Audited Annual Report/ Financial Statement for the financial Year ended on 31/03/2020	Ordinary Resolution
(2)	TO Reappoint Mr.Dineshkumar Samrataji Rao. (DIN: 06379029) who retires by the rotation at this Annual General Meeting and eligible for reappointment (ORDINARY RESOLUTION)	Ordinary Resolution
(3)	To Ratify the appoint M/s. For Naresh J. Patel & Co. Chartered Accountants, (FRN: 123227W) as the statutory Auditors of the Company and to fix their remuneration.	Ordinary Resolution

Affix Rs.1/-
revenue
stamp

Date :

Place :

(Signature of the member appointing a proxy)

Proxy form duly stamped, signed and completed in all respect should be deposited 48 hours before the time fixed for the meeting at the registered office of the company.

Note:

1. This form of proxy in order to be effective should be duly stamped, completed and deposited at the Registered Office of the Company not less than 48 hours before the commencement of the meeting.
2. Those Members who have multiple folios with different joint holders may use copies of this Attendance Slip/Proxy.
3. Proxy need not be a member of the Company.

A person can act as Proxy on behalf of not more than fifty (50) members and holding in aggregate not more than ten percent of total share capital of the Company. Members holding more than ten percent of total share capital of the Company may appoint a single person as proxy, who shall not act as proxy for any other member.