

25TH ANNUAL REPORT 2014-2015 PRESHA METALLURGICAL LIMITED

BOARD OF DIRECTOR

MAHENDRA GANATRA - DIRECTOR
KETANBHAI SORATHIYA - DIRECTOR
RAMANLAL TRIVEDI - DIRECTOR

AUDITOR

M/S. BIPIN & CO.,
CHARTERED ACCOUNTANTS,
VADODARA

SHARE TRANSFER AGENT

M/s SATELLITE CORPORATE SERVICES PRIVATE LIMITED
B-302, Sony Apartment, Opp. St. Judge's High School,
Off Andheri-Kurla Road,
Jarimari, Sakinaka,
Mumbai-400072 Maharashtra, INDIA

REGISTERED OFFICE

A/302, MARUTI COMPLEX, NR NATUBHAI CIRCLE,
GOTRI ROAD, VADODARA-390006,
GUJARAT, INDIA

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N O T I C E

NOTICE is hereby given that the **25TH ANNUAL GENERAL MEETING** of the Members of **PRESHA METALLURGICAL LIMITED (Formally known as JALAN METALLURGICAL LIMITED)** will be held at the Registered Office of the Company at **FF-30, FLAT NO. 103, SUN SQUARE COMPLEX, SAMA SAVLI ROAD, VADODARA-390008, GUJARAT, INDIA** on **Tuesday, 29th day of September, 2015 at 10.00 A. M.** to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the financial Statement for the year ended on 31 March, 2015 and the Reports of the Board of Directors and the Auditors thereon.

SPECIAL BUSINESS:

2. To consider and if thought fit, to pass with or without modification(s), the following Resolution as **SPECIAL RESOLUTION:**

"RESOLVED THAT pursuant to the provisions of Section 139, 140(4), 141, 142 and other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof), M/s. Bipin & Co., Chartered Accountants, Vadodara (FRN 101509W), in respect of whom the company has received a Special Notice under section 140(4) of the Act, proposing their appointment in the place of retiring auditors, (M/s. Y. D. & Co., Chartered Accountants, Ludhiana, FRN 018846N) be and are hereby appointed as the Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting to next subsequent Annual General Meeting and at such remuneration as may be fixed by the Board of Directors of the Company on the recommendation of the Audit Committee."

3. To consider and if thought fit, to pass with or without modification, as an **ORDINARY RESOLUTION**, the following:

"RESOLVED THAT Mr. MAHENDRA DOLATRAI GANATRA (DIN-00272462) who was appointed as an Additional Director of the Company on 29.08.2015 under Section 149 ,152 & 161 of the Companies Act, 2013 to the extent applicable holds office up to the date of this Annual General Meeting but being eligible, offers himself for re-appointment and in respect of whom the company has received Notice in writing from member proposing his candidature for office of Director, be and hereby appointed as director of the Company and whose office liable to retire by rotation"

**By Order of the Board
For, PRESHA METALLURGICAL LIMITED**

PLACE: VADODARA

DATE: 31.08.2015

**Sd/-
(KETANBHAI SORATHIYA)
CHAIRMAN**

Notes:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. A PROXY IN ORDER TO BE EFFECTIVE MUST BE RECEIVED BY THE COMPANY AT ITS REGISTERED OFFICE NOT LESS THAN 48 HOURS BEFORE THE TIME SCHEDULED FOR HOLDING THE MEETING.
2. Corporate members intending to send their authorized representatives to attend the meeting pursuant to Section 113 of the Companies Act, 2013 are requested to send to the Company a certified copy of the Board resolution authorizing their representatives to attend and vote on their behalf at the meeting.
3. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 is annexed hereto.
4. The Register of Members and Share Transfer Register of the Company will remain closed from 23rd September, 2015 to 29th September, 2015.
5. The information required to be provided under the Listing Agreement entered into by the Company with the Stock Exchange regarding the Directors who are proposed to be re-appointed is given in the annexure to the Notice.

6. Members whose shareholding(s) are in electronic mode are requested to inform any changes relating to address, bank mandate and Electronic Clearing Services (ECS) details to their respective Depository Participants and in case of physical shares, to the Company's Registrar & Share Transfer Agent M/S Satellite Corporate Services Pvt. Ltd by mail at service@satellitecorporate.com together with a valid proof of address.
7. Members are requested to quote their Registered Folio Number or their Client ID number with DP ID on all correspondence with the Company as the case may be.
8. Members/Proxy holders are requested to bring their copies of the Annual Report to the Annual General Meeting
9. Members are requested to bring the Attendance Slip sent herewith duly filled for attending the Meeting.
10. Members are requested to send their queries to the Company, if any, on accounts and operations of the Company at least seven days before the meeting so that the same could be suitably answered at the meeting.
11. Since the trading of shares is allowed only in dematerialized form, in the Stock Exchange, members are advised to get their physical shareholding dematerialized.
12. In line with measures of Green Initiative taken by the Ministry of Corporate Affairs (vide circular nos. 17/2011 and 18/2011 dated April 21 and April 29, 2011 respectively) and Companies Act, 2013 also provides for sending notice of the meeting and other shareholder correspondences through electronic mode. Members holding shares in physical mode are requested to register their e-mail ID's with M/S Satellite Corporate Services Pvt. Ltd by mail at service@satellitecorporate.com and Members holding shares in demat mode are requested to register their e-mail ID's with their respective Depository Participants (DPs).

Instructions for e-voting:

In compliance with the provisions of Section 108 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014, the Company is pleased to offer e-voting facility as an alternate to physical voting to all the Members of the Company. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating e-voting to enable the Members to cast their votes electronically. E-voting is optional for the Members. The instructions for members for voting electronically are as under

In case of members receiving e-mail:

- (i) Log on to the e-voting website www.evotingindia.com
- (ii) Click on "Shareholders" tab.
- (iii) Now, select the "PRESHA METALLURGICAL 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.
- (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> <p>-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.</p> <p>-In case the folio number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with folio number 100 then enter RA00000100 in the PAN field.</p> |

| | |
|------------------------|---|
| DOB# | Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format. |
| Dividend Bank Details# | Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio. -Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv). |

- (viii) After entering these details appropriately, click on "SUBMIT" tab.
- (ix) Members holding 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 for the relevant <PRESHA METALLURGICAL 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 www.evotingindia.com and register themselves as Corporates.
 - They should submit a scanned copy of the Registration Form bearing the stamp and sign of the entity to helpdesk.evoting@cdslindia.com.
 - After receiving the login details they have to create a user who would be able to link the account(s) which they wish to vote on.
 - The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - They should upload a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in 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:

- (A) Please follow all steps from sl. no. (i) to sl. no. (xvi) above to cast vote.
- (B) The voting period begins on 26.09.2015 AT 09.00 A.M. and ends on 28.09.2015 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 22nd September, 2015, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (C) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com under help section or write an email to helpdesk.evoting@cdslindia.com.

The Company has appointed Ms. SHUBHAM AGARAWAL, Practicing Company Secretary as the Scrutinizer for purpose of E voting to count the votes casted in favour or against the resolution proposed for all the items of the Notice as mentioned in the Notice and to comply with the provisions of Section 108 of the Companies Act, 2013.

The Results shall be declared on or after the AGM of the Company. The Results declared along with the Scrutinizer's Report shall be placed on the Company's website and on the website of CDSL within two (2) days of passing of the resolutions at the EGM of the Company and communicated to the BSE Limited.

ANNEXURE TO NOTICE
EXPLANATORY STATEMENT UNDER SECTION 102 OF THE COMPANIES ACT, 2013

ITEM NO. 2

Accordance with the provisions of sections 139, and other applicable provision if any of the Companies Act, 2013 and rules there under, the said appointment would require the approval its shareholders in General Meeting by way of Special Resolution and company has also received a Special Notice under sector 140 (4) from the member of the company proposing such appointment at the ensuing Annual General Meeting.

Therefore, your company seeks your approval to appoint M/s. Bipin & Co., Chartered Accountants, Vadodara (FRN 101509W) in place of existing auditors M/s. Y. D. & Co., Chartered Accountants, Ludhiana, (FRN 018846N) to hold office from the conclusion of this Annual General Meeting to next subsequent Annual General Meeting

None of the Directors or KMP or relatives of Directors and KMP is in any way concerned with or interested, financially or otherwise in the resolution at item no 2 of the accompanying notice.

The Board recommends the resolution at Item No. 2 to be passed as an ordinary resolution.

Item No. 3

The Board of Directors at their meeting held on 29.08.2015 co-opted Mr. MAHENDRA DOLATRAI GANATRA in the Board as Additional Director as per section 160 and other applicable provision of the Company Act, 2013 his tenures of office expires at the ensuing Annual General Meeting. Mr. Mr. MAHENDRA DOLATRAI GANATRA having rich experience in the field of Finance and Marketing hence considering the same Board recommends keeping him on the board.

The Board recommends the resolution for the approval of shareholders.

No other Director/Key Managerial personnel not any relative of the Directors or the Key Managerial personnel of the Company other than Mr. Mr. MAHENDRA DOLATRAI GANATRA is interested or concerned in the resolution.

By Order of the Board
For, PRESHA METALLURGICAL LIMITED

PLACE: VADODARA
DATE: 31.08.2015

Sd/-
(KETANBHAI SORATHIYA)
CHAIRMAN

DIRECTORS' REPORT***Dear Shareholders,***

Your Directors here by present the 25th Annual Report together with the Audited statements of Accounts for the financial year ended on 31st March 2015.

OPERATIONS REVIEW:

During the year under review due to financial crisis company has not carried out any business activities and faces huge set back. So company not in position to generate any revenue from the operation but due to some fixed cost company posted Net Loss of Rs. 106534/-.

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

The Company does not have any significant business activity and not carried out any business during the year under review.

DIVIDEND:

Considering the loss incurred in the current financial year and accumulated losses, your Directors have not recommended any dividend for the financial year under review.

TRANSFER TO RESERVES:

The Company has not transferred any amount to Reserves for the period under review.

SHARE CAPITAL:

The issued, subscribed and paid up capital of the Company is Rs 142898000/- divided into 14289800 equity shares of Rs 10/- each. There has been no change in the share capital of the Company during the year.

SUBSIDIARIES, JOINT VENTURES OR ASSOCIATE COMPANIES:

The Company does not have any subsidiary, associate companies & joint ventures.

FIXED DEPOSIT:

Your Company has not accepted any deposits within the meaning of Section 73 of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS:

The Company has not given any loans or guarantees covered under the provisions of section 186 of the Companies Act, 2013.

RELATED PARTY TRANSACTIONS:

All related party transactions that were entered into during the financial year were on arm's length basis and were in the ordinary course of the business. There are no materially significant related party transactions made by the company with Promoters, Key Managerial Personnel or other designated persons which may have potential conflict with interest of the company at large.

MATERIAL CHANGES AND COMMITMENTS IF ANY AFFECTING THE FINANCIAL POSITION OF THE COMPANY:

No material changes and commitments affecting the financial position of the company have occurred between the end of financial year to which the financial statements relate and the date of the Directors' Report.

SIGNIFICANT ORDERS PASSED BY THE REGULATORS, COURTS OR TRIBUNALS IMPACTING GOING CONCERN AND COMPANY'S OPERATIONS:

To the best of our knowledge, the company has not received any such orders passed by the regulators, courts or tribunals during the year, which may impact the going concern status or company's operations in future.

DIRECTORS AND KEY MANAGERIAL PERSONNEL:

Ms. DINABEN GANATRA (DIN: 07265796) appointed as additional director on 28.08.2015 and same resigned on 29.08.2015. Mr. NILESHKUMAR HASMUKLAL KHATRI resigned on 05.08.2015. Mr. MAHENDRA DOLATRAI GANATRA was appointed as an additional director of the company with effect from August 29, 2015 and hereby appointed as director of the Company and whose office liable to retire by rotation.

Since the Company does not have any significant business activities, hence the Volume and Scope of work for the Company Secretary and Chief Financial Officer are less and it is not a full time work and the job of Company Secretary and Chief Financial Officer are not attractive commensurate with the scope of work and salary.

DECLARATION BY INDEPENDENT DIRECTORS:

The Company has received necessary declaration from each Independent Director under Section 149 (7) of the Companies Act, 2013, that they meet the criteria of independence laid down in Section 149(6) of the Companies Act, 2013.

MEETINGS:

Minimum four pre-scheduled Board meetings are held annually. In case of business exigencies or urgency of matters, resolutions are passed by circulation. During the year six Board Meetings and four Audit Committee Meetings were convened and held, the details of which are given in the Corporate Governance Report. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013 and Listing Agreement.

AUDIT COMMITTEE:

The terms of reference of the Audit Committee are in consonance with the provisions of Section 177 of the Companies Act, 2013 and details have been furnished in the Corporate Governance Report forming a part of this Annual Report.

NOMINATION AND REMUNERATION COMMITTEE:

Nomination and Remuneration Committee has been constituted as per the provisions of Section 178(1) of the Companies Act, 2013 and details have been furnished in the Corporate Governance Report forming a part of this Annual Report.

STAKEHOLDERS' RELATIONSHIP COMMITTEE:

The Board of Directors of the Company has re-named Share Holders Grievance/ Share Transfer Committee as 'Stakeholders Relationship Committee' in order to align it with the provisions of Section 178 of the Companies Act, 2013 and details has been furnished in the Corporate Governance Report forming a part of this Annual Report.

BOARD EVALUATION:

Pursuant to the provisions of the Schedule IV, clause VIII of the Companies Act, 2013 the Board has carried out an evaluation of its own performance, the directors individually as well as the evaluation of the working of its Audit, Appointment & Remuneration Committees. The performance evaluations of Independent Directors were also carried out and the same was noted. Independent Directors in their meeting decided to bring more transparency in their performance and bring more responsibility while taking any policy decisions for the benefit of the shareholders in general.

REMUNERATION OF THE DIRECTORS/ KEY MANAGERIAL PERSONNEL (KMP)/ EMPLOYEES:

No Directors/ Key Managerial Personnel are drawing any remuneration. Hence, the information required pursuant to Section 197 read with Rule 5 (1) (i) of The Companies (Appointment and Remuneration) Rules, 2014 in respect of ratio of remuneration of each director to the median remuneration of the employees of the Company for the Financial year is not given.

AUDITORS AND AUDITORS' REPORT:

M/S. BIPIN & CO., CHARTERED ACCOUNTANTS, VADODARA (FRN 101509W), in respect of whom the company has received a Special Notice under section 140(4) of the Act, proposing their appointment in the place of retiring auditors M/s. Y. D. & Co., Chartered Accountants, Ludhiana, (FRN 018846N) and hold office until the conclusion of the ensuing Annual General Meeting and are eligible for reappointment.

The observations made by the Auditors' in their Auditors' Report and the Notes on Accounts referred to in the Auditors' Report are self-explanatory and do not call for any further comments.

SECRETARIAL AUDIT AND SECRETARIAL AUDITORS' REPORT:

Pursuant to provisions of section 204 of the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 the Company has appointed Ms. SHUBHAM AGARAWAL, Company Secretaries in practice to undertake the Secretarial Audit of the Company. The Secretarial Audit report in the prescribed Form No MR-3 is annexed herewith.

QUALIFICATION IN SECRETARIAL AUDIT REPORT AND EXPLANATIONS BY THE BOARD:

| Sr. No. | Qualifications made by Secretarial Auditor | Explanations by the Board |
|---------|--|---|
| a) | Acknowledgement for sending the notices of the Meeting of the Board and Committees are not maintained by the company. | The notice and agenda for the Board and committee meeting are sent by the email or hand delivery. The company will ensure to maintain to the acknowledgements for sending the notice of the meeting of the board and the committee. |
| b) | Updating of website with regard to various policies is pending | The company will take necessary steps to update website with regard to various policies which are pending. |
| c) | The company has not complied with certain clauses of Listing Agreement as regards publication of Notice of Board Meeting, Notice of AGM, quarterly results. | The company will take necessary steps to comply with the same. |
| d) | As per the provisions of Section 149(1) of the Companies Act, 2013 and revised clause 49 of the listing agreement, the Company is required to have at least one Women Director on its Board. The Company has not appointed Women Director. | The Company is in process for appointing of Women Director and once suitable and if any willing candidate agrees to join the Company. |
| e) | As per section 138 of the Companies Act, 2013, the Company is required to appoint Internal Auditor. The Company has not appointed Internal Auditor. | The size of operation of the Company is very small, it is not viable to appoint Internal Auditor but the Company has established the internal control system. |
| f) | As per section 203(1)(i),(ii) & (iii), the Company is required to appoint Company Secretary & Chief Financial Officer. The Company has not appointed Company Secretary & Chief Financial Officer. | Since the Company does not have any significant business activities, hence the Volume and Scope of work for the Company Secretary and Chief Financial Officer are less and it is not a full time work and the job of Company Secretary and Chief Financial Officer are not attractive commensurate with the scope of work and salary. |
| g) | The company has not maintained the attendance register for Board and committee meeting | The company will take necessary steps to maintain the attendance register for board and committee meetings. |
| h) | Statutory Registrar as per companies Act 2013 is yet to be updated. | The company will take necessary steps to update Statutory Register as per companies Act 2013. |
| i) | Certain event based E Forms have not been filed by the company in time which were required to be filed with ROC during the audit period. | The company will ensure to file all relevant documents in time with ROC and other authorities as when required. |

COST AUDITOR AND COST AUDIT REPORT:

Cost Audit is not applicable to your Company.

INTERNAL CONTROL SYSTEMS:

As there is no significant business activities hence there was no systems set up for Internal Controls.

EXTRACT OF ANNUAL RETURN:

An extract of Annual Return as prescribed under Section 92(3) of the Companies Act, 2013 ('the Act') and rule 12(1) of the Companies (Management and Administration) Rules, 2014, in the prescribed Form No. MGT 9 forming part of this report is annexed herewith

MANAGEMENT DISCUSSION AND ANALYSIS:

Management Discussion and Analysis forms part of the Annual Report to the shareholders and it includes discussion on matters as required under the provisions of Clause 49 of the listing agreement forming part of this report is annexed herewith.

CORPORATE GOVERNANCE REPORT:

The Company has not developed and implemented any Corporate Social Responsibility initiative under the provisions of Section 135 of the Companies Act, 2013, read with Rule 9 of Companies (Corporate Social Responsibility Policy) Rules, 2014, as the said provisions are not applicable.

CORPORATE SOCIAL RESPONSIBILITY INITIATIVES:

The Company has not developed and implemented any Corporate Social Responsibility initiative under the provisions of Section 135 of the Companies Act, 2013, read with Rule 9 of Companies (Corporate Social Responsibility Policy) Rules, 2014, as the said provisions are not applicable.

PARTICULARS OF EMPLOYEES:

In terms of the provisions of Section 197(12) of the Act read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is not required to be given as there were no employees coming within the purview of this section.

TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO:

The details of conservation of energy, technology absorption etc. as required to be given under Section 134(3)(m) of the Companies Act, 2013 read with Rule, 8 of The Companies (Accounts) Rules, 2014, are not applicable to Company, as our Company has not carried out in the manufacturing activities. The foreign exchange earning on account of the operation of the Company during the year was Rs. Nil.

DIRECTORS' RESPONSIBILITY STATEMENT:

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

- a) In the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation by way of notes to accounts relating to material departures;
- b) the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit or loss of the Company for that period;
- c) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- e) Directors have prepared the accounts on a "going concern basis".
- f) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

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

Since there are no women employees in the Company hence no comments.

DISCLOSURE UNDER SECTION 197(12) OF THE COMPANIES ACT, 2013 AND OTHER DISCLOSURES AS PER RULE 5 OF COMPANIES (APPOINTMENT & REMUNERATION) RULES, 2014:

Pursuant to Section 197(12) of the Companies Act, 2013 and Rule 5 of Companies (Appointment & Remuneration) Rules, 2014, every Listed Company mandates to disclose in the Board's Report the ratio of the remuneration of each director to the permanent employee's remuneration. However, since there is no permanent employee in the Company, no disclosure under the said provision has been furnished.

BUSINESS RISK MANAGEMENT:

Since the Company does not have any significant business activities, hence the Business Risk is at the Minimal Level. Hence, no major risk factors are envisaged except for:

- a. Government Policies
- b. Human Resource Risk

VIGIL MECHANISM

As the Company does not have any significant business activity, there was no need to have a Vigil Mechanism Policy.

ACKNOWLEDGEMENT:

Your Directors would like to express their sincere appreciation for the assistance and co-operation received from the Banks, Government Authorities, Customers, and Shareholders during the year. Your directors also wish to take on record their deep sense of appreciation for the committed services of the employees at all levels, which has made our Company successful in the business.

**For and on Behalf of the Board
For, PRESHA METALLURGICAL LIMITED**

PLACE: VADODARA

DATE: 31.08.2015

**Sd/-
(KETANBHAI SORATHIYA)
CHAIRMAN**

Annexure to Director's Report**MANAGEMENT DISCUSSION ANALYSIS REPORT**

- 1. INDUSTRY STRUCTURE AND DEVELOPMENTS:**
As of now the Company is not engaged in any activity and the management is looking for a right opportunity to make the Company operational.
- 2. OVERALL REVIEW:**
Due to scarcity of working capital funds, the Company is not able to perform any business activities. To make the Company operational, the board is making its best effort to implement the cost reduction measures to the extent feasible. Several cost cutting measures have already been undertaken by the Company.
- 3. RISK AND CONCERNS:**
The Company's future development would depend upon the commencement of its operational activities
- 4. INTERNAL CONTROLS SYSTEMS AND THEIR ADEQUACY:**
The Company is following a proper and adequate system of internal controls in respect of all its activities. Further all transaction entered into by the Company are fully authorised, recorded and reported correctly
- 5. FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE:**
During the year under review, the Company did not carry out any activity.
- 6. CAUTIONARY STATEMENT:**
Statements in this Management Discussion and Analysis describing the company's objectives, projections, estimates and expectations may be forward looking statement within the meaning of applicable laws and regulations. Actual results might differ materially from those either expressed or implied.

Form No. MR-3**SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2015**

(Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014)

To,
The Members,
PRESHA METALLURGICAL LIMITED
VADODARA

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

Based on my verification of the Company's 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 hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on March 31, 2015 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2015 according to the provisions of:

- i) The Companies Act, 1956 (the Old Act) and the rules made thereunder;
- ii) The Companies Act, 2013 (the Act) and the rules made thereunder;
- iii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- 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 Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
 - (c) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- v) The provisions of the following Acts, Rules, Regulations and Guidelines were not applicable to the Company during the year under report:
 - (a) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;
 - (b) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;
 - (c) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
 - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
 - (f) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; and
 - (g) The Securities and Exchange Board of India (Issue of Sweat Equity) Regulations, 2002
- vi) Based on representation made by the Company and its officers, the Company has adequate system and process in place for compliance under the other applicable Laws, Acts, Rules, Regulations, Circulars, Guidelines and Standards. Major heads/groups of Acts, Laws, Rules, Regulations, Guidelines and Standards as applicable to the Company are given below:
 - (i) Acts prescribed under prevention and control of pollution;
 - (ii) Acts prescribed under environmental protection;
 - (iii) Such other Local laws etc. as may be applicable in respect of the office of the Company.

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India (come in to the force as on 01.07.2015 hence not applicable to the Company during the audit period as 31.03.2015).
- (ii) The Listing Agreements entered into by the Company with BSE Limited.

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

- a) Acknowledgement for sending the notices of the Meeting of the Board and Committees are not maintained by the company.*
- b) Updating of website with regard to various policies is pending.*
- c) The company has not complied with certain clauses of Listing Agreement as regards publication of Notice of Board Meeting, Notice of AGM, quarterly results.*
- d) As per the provisions of Section 149(1) of the Companies Act, 2013 and revised clause 49 of the listing agreement, the Company is required to have at least one Women Director on its Board. The Company has not appointed Women Director.*
- e) As per section 138 of the Companies Act, 2013, the Company is required to appoint Internal Auditor. The Company has not appointed Internal Auditor.*
- f) As per section 203(1)(i),(ii) & (iii), the Company is required to appoint Company Secretary & Chief Financial Officer. The Company has not appointed Company Secretary & Chief Financial Officer.*
- g) The company has not maintained the attendance register for Board and committee meeting.*
- h) Statutory Registrar as per companies Act 2013 is yet to be updated.*
- i) Certain event based E Forms have not been filed by the company in time which were required to be filed with ROC during the audit period.*

I further report that I have not reviewed the applicable financial laws, direct and indirect tax laws since the same have been subject to review and audit by the Statutory Auditors of the company.

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

As per the information received from the company Adequate notice is given to all the directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting. Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes. I cannot comment for the same as corresponding documents are not available for inspection.

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 compliance with applicable Laws, Rules, Regulations and guidelines. I further report that during the audit period the Company has not passed any Special / Ordinary Resolutions which are having major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards etc.

I further report that during the audit period, there were no instances of:

1. Public/Rights/Preferential issue of Shares/debentures/ sweat equity.
2. Redemption/buy-back of securities.
3. Merger/ amalgamation/ reconstruction etc.
4. Foreign technical collaborations.

I further report that during the audit period no prosecution initiated against the Company and the company has also not received any show cause notice during the year.

PLACE: BHILWARA

DATE: 31.08.2015

Sd/-
[SHUBHAM AGARAWAL]
Company Secretaries
C. P. NO.: 10640

This report is to be read with our letter of even date which is annexed as Annexure-A and forms an integral part of this report.

ANNEXURE-A

To,
The Members,
PRESHA METALLURGICAL LIMITED
VADODARA

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

1. Maintenance of secretarial records is the responsibility of management of the company. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I 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. I believe that the processes and practices, I followed provide a reasonable basis for our opinion.
3. I have not verified the correctness and appropriateness of financial records and books of accounts of the company.
4. Wherever required, I have obtained the Management Representation about the compliance of laws, rules and regulations and happening of events, etc.
5. The compliance of the provisions of corporate and other applicable laws, rules and regulations, standards is the responsibility of the management. My examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

PLACE: BHILWARA

DATE: 31.08.2015

Sd/-
[SHUBHAM AGARAWAL]
Company Secretaries
C. P. NO.: 10640

FORM NO. MGT 9

Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company (Management & Administration) Rules, 2014

EXTRACT OF ANNUAL RETURN as on the financial year ended on 31.03.2015

I. REGISTRATION AND OTHER DETAILS:

| | |
|---|---|
| CIN: | L27101GJ1990PLC013568 |
| Registration Date | 02/04/1990 |
| Name of the Company | PRESHA METALLURGICAL LIMITED |
| Category / Sub-Category of the Company | Public Limited Company having Share Capital |
| Address of the registered office and contact details | FF-05 & Flat No. 103, Sun Square Complex, Opp. Mangalam Complex, Near Sama Lake Cross Road, Sama Savli Road, Vadodara – 390024 E Mail: preshametallurgicaltd@gmail.com |
| Whether listed company Yes / No | Yes |
| Name, Address and Contact details of Registrar and Transfer Agent, if any | Satellite Corporate Services Private Limited. B-203, Sony Apt., Opp. St. Jude's High School, 90Ft Road, Jarimari, Sakinaka, Mumbai-400072 |

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 Description of main products/ services | NIC Code of the Product/ service | % to total turnover of the company |
|---------|---|----------------------------------|------------------------------------|
| | NA | NA | NA |

The Company does not have any significant business activity and not carried out any business since last 3 to 4 years.

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:

| Sr. No. | Name & Address of the Company | CIN/GLN | HOLDING/ SUBSIDIARY/ ASSOCIATE | % OF SHARES HELD | APPLICABLE SECTION |
|--------------|-------------------------------|---------|--------------------------------------|------------------------|-----------------------|
| -----NA----- | | | | | |

IV SHARE HOLDING PATTERN (EQUITY SHARE CAPITAL BREAKUP AS PERCENTAGE OF TOTAL EQUITY)

i Category-wise Share Holding pattern

| Category of Shareholders | No. of Shares held at the beginning of the year as on 01.04.2014 | | | | No. of Shares held at the end of the year as on 31.03.2015 | | | | % Change during the year |
|---|--|----------|----------|-------------------|--|----------|----------|-------------------|--------------------------|
| | Demat | Physical | Total | % of Total Shares | Demat | Physical | Total | % of Total Shares | |
| A) Promoters | | | | | | | | | |
| 1. Indian | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 | 0.00 |
| 2. Foreign | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 | 0.00 |
| Total shareholding of Promoter (A) = 1+2 | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 | 0.00 |
| B. Public Shareholding | | | | | | | | | |
| 1. Institutions | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 | 0.00 |
| 2. Non-Institutions | | | | | | | | | |
| a) Bodies Corporate | 2551703 | 9020500 | 11572203 | 80.98 | 3155079 | 9020500 | 12175579 | 85.20 | 4.22 |
| b) Individuals | | | | | | | | | |
| i) Individual shareholders holding nominal share capital up to Rs. 1 Lakh | 120866 | 27600 | 148466 | 1.04 | 70657 | 27300 | 97957 | 0.69 | -0.35 |

| | | | | | | | | | |
|--|---------|----------|----------|------|---------|---------|----------|------|-------|
| ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh | 660364 | 0 | 660364 | 4.62 | 944288 | 0 | 944288 | 6.61 | 1.99 |
| c) Others (specify) | | | | | | | | | |
| -NRI | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 | 0.00 |
| -HUF | 93588 | 1000000 | 1093588 | 7.65 | 41976 | 1000000 | 1041976 | 7.29 | -0.36 |
| -Clearing Member | 815179 | 0 | 815179 | 6.09 | 30000 | 0 | 30000 | 0.21 | -5.88 |
| B) = (B) (1) + (B) (2) + c | 4241700 | 10048100 | 14289800 | 100 | 4242000 | 1004700 | 14289800 | 100 | 0.00 |
| C. Shares held by Custodian for GDRs & ADRs | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 | 0.00 |
| Grand Total (A+B+C) | 4241700 | 10048100 | 14289800 | 100 | 4242000 | 1004700 | 14289800 | 100 | 0.00 |

ii Shareholding of Promoters

| Sl. No. | Shareholder's Name | Shareholding at the beginning of the year | | | Shareholding at the end of the Year | | | % change in share holding during the year |
|---------------|--------------------|---|----------------------------------|---|-------------------------------------|----------------------------------|--|---|
| | | No. of Shares | % of total Shares of the Company | % of Shares Pledged/ encumbered to total shares | No. of Shares | % of total Shares of the Company | % of Shares Pledged / encumbered to total shares | |
| -----NIL----- | | | | | | | | |

iii CHANGE IN PROMOTERS' SHAREHOLDING (SPECIFY IF THERE IS NO CHANGE): *There is no promoter holding hence it is not applicable.*

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

| Sl. No. | Shareholder's Name | Shareholding at the beginning of the year 01.04.2014 | | Cumulative Shareholding during the year 31.03.2015 | |
|---------|---|--|----------------------------------|--|----------------------------------|
| | | No. of Shares | % of total Shares of The Company | No. of Shares | % of total Shares of The Company |
| 1 | ASHOK PROPON PRIVATE LIMITED | 1500000 | 10.50 | 1500000 | 10.50 |
| 2 | COMPASS TECHNOLOGIES PRIVATE LIMITED | 1500000 | 10.50 | 1500000 | 10.50 |
| 3 | DARSHIT HYDRO POWER PROJECT PRIVATE LIMITED | 1500000 | 10.50 | 1500000 | 10.50 |
| 4 | PARIKIT GAS COMPANY LIMITED | 1500000 | 10.50 | 1500000 | 10.50 |
| 5 | PANKHURI TECHNOWAVE PRIVATE LIMITED | 1500000 | 10.50 | 1500000 | 10.50 |
| 6 | SHANKHESHWAR METALS PRIVATE LIMITED | 1500000 | 10.50 | 1500000 | 10.50 |
| 7 | HIRALAL P SHAH HUF | 1000000 | 7.00 | 1000000 | 7.00 |
| 8 | RAMA SHIVA LEASE FINANCE PRIVATE LTD | 252712 | 1.77 | 252712 | 1.77 |
| 9 | R K STOCKHOLDING PVT. LTD | 249319 | 1.74 | 220602 | 1.54 |
| 10 | MANSI SHARE & STOCK ADVISORS PRIVATE LIMITE | 227623 | 1.59 | 0 | 0.00 |
| 11 | DREAMWAY SHARE & STOCKS INDIA LIMITED | 0 | 0.00 | 343890 | 2.41 |
| | TOTAL | 10729654 | 75.09 | 10817204 | 75.70 |

(v) Shareholding of Directors and Key Managerial Personnel: *None of the director and key Managerial personnel holds any shares in the company.*

V. INDEBTEDNESS:

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

| Secured Loans excluding deposits | Secured Loans excluding deposits | Unsecured Loans | Deposits | Total Indebtedness |
|--|----------------------------------|-----------------|----------|--------------------|
| Indebtedness at the beginning of the financial year | | | | |
| i) Principal Amount | 00 | 00 | 00 | 00 |
| ii) Interest due but not paid | 00 | 00 | 00 | 00 |
| iii) Interest accrued but not due | 00 | 00 | 00 | 00 |
| Total (i+ii+iii) | 00 | 00 | 00 | 00 |
| Change in Indebtedness during the financial year | | | | |
| Additions | 00 | 00 | 00 | 00 |
| Reduction | 00 | 00 | 00 | 00 |
| Net Change | 00 | 00 | 00 | 00 |
| Indebtedness at the end of the financial year | | | | |
| i) Principal Amount | 00 | 00 | 00 | 00 |
| ii) Interest due but not paid | 00 | 00 | 00 | 00 |
| iii) Interest accrued but not due | 00 | 00 | 00 | 00 |
| Total (i+ii+iii) | 00 | 00 | 00 | 00 |

VI REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:

| | | |
|-----------|--|------------|
| A. | REMUNERATION TO MANAGING DIRECTOR, WHOLE-TIME DIRECTORS AND/OR MANAGER | NIL |
| B. | REMUNERATION TO OTHER DIRECTORS | NIL |
| C. | REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD | NIL |

VII PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES

| Type | Section of the Companies Act | Brief Description | Details of Penalty/Punishment/Compounding Fees imposed | Authority (RD/NCLT/Court) | Appeal made, if any (give details) |
|-------------------------------------|------------------------------|-------------------|--|---------------------------|------------------------------------|
| A. Company | | | | | |
| Penalty | | | NONE | | |
| Punishment | | | | | |
| Compounding | | | | | |
| B. Directors | | | | | |
| Penalty | | | NONE | | |
| Punishment | | | | | |
| Compounding | | | | | |
| C. Other officers in default | | | | | |
| Penalty | | | NONE | | |
| Punishment | | | | | |
| Compounding | | | | | |

REPORT ON CORPORATE GOVERNANCE

COMPANY'S PHILOSOPHY ON CODE OF CORPORATE GOVERNANCE:

Your Company is committed to good Corporate Governance. The Company fully understands the rights of its shareholders to information on the performance of the company and considers itself a trustee of its shareholders. Corporate Governance strengthens investor's trust and ensures a long-term partnership that helps in fulfilling our quest for achieving significant growth and profits.

BOARD OF DIRECTORS:

The Board of Directors is having non-executive and independent directors as on 31st March, 2015. The Board of Directors is consisting of Three Directors. The Directors manages the day to day affairs of the Company. Non-executive and independent directors did not have any pecuniary relationship of transactions with the company during the period under review. There are no material transactions where they have had personal interests that conflict with that of the Company.

NUMBERS OF BOARD MEETINGS HELD AND THE DATES ON WHICH SUCH MEETINGS WERE HELD:

During the financial year 2014-15 the Board met six times on 26.05.2014, 02.08.2014, 27.08.2014, 08.11.2014, 12.02.2015 and 02.03.2015. Attendance record of Directors attending the Board meetings and Annual General Meetings:

| Name of the Director | No. of Board Meetings | | Last AGM attended (27.09.2014) |
|---|-----------------------|----------|-----------------------------------|
| | Held | Attended | |
| RAMANLAL TRIVEDI | 6 | 6 | No |
| *NILESHKUMAR KHATRI | 6 | 6 | Yes |
| KETANBHAI SORATHIYA | 6 | 6 | Yes |
| #MAHENDRA DOLATRAI GANATRA | 6 | NA | NA |
| * Resigned as on 05.08.2015 # Appointed as on 29.08.2015 None of the Director is a member in more than 10 Companies and Act as Chairman in more than 5 Companies across all Companies in which he is a Director. | | | |

AUDIT COMMITTEE

The Audit Committee of the Company presently comprises of three Directors being MR. MAHENDRA DOLATRAI GANATRA, MR. RAMANLAL TRIVEDI and MR. KETANBHAI SORATHIYA.

The Board terms of reference of the Audit Committee are in consonance with the provisions of Section 177 of the Companies Act, 2013 and of the Listing Agreement.

Role/ Functions of the Committee:

- Reviewing with management the annual financial statements before submission to the Board.
- Recommending the appointment and removal of external auditors, fixation of audit fee and also approval for payment for any other services.
- Review of policies relating to risk management – operational and financial.
- Reviewing with the management, external auditors and the adequacy of the internal control system.

Powers of the Committee:

- To investigate any activity within its terms of reference.
- To secure attendance of and seek any information from any employee including representative of the prime shareholders (subject to their internal approvals).
- Compliance with accounting standards.
- To obtain outside legal or other professional advice if necessary.
- To secure attendance of outsiders with relevant expertise if it considers necessary.
- Compliance with Stock Exchange and legal requirements concerning financial statements.

Attendance at the Audit Committee Meetings

During the year the Audit Committee met 4 times on 26.05.2014, 02.08.2014, 08.11.2014 and 12.02.2015. Attendance of the members is as under:

| Name | No. of Meeting attended | |
|---------------------|-------------------------|----------|
| | Held | Attended |
| RAMANLAL TRIVEDI | 4 | 4 |
| NILESHKUMAR KHATRI | 4 | 4 |
| KETANBHAI SORATHIYA | 4 | 4 |

NOMINATION AND REMUNERATION COMMITTEE:

Nomination and Remuneration Committee has been constituted as per the provisions of Section 178(1) of the Companies Act, 2013 on 28.05.2015 to review and to recommend the remuneration payable to the Executive Directors and Senior Management of the Company based on their performance and defined assessment criteria.

Nomination and Remuneration Committee of the Company presently comprises of three Directors being MR. MAHENDRA GANATRA, MR. RAMANLAL TRIVEDI and MR. KETANBHAI SORATHIYA.

The following is the terms of reference of Nomination and Remuneration Committee:

- Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy relating to the level and composition of remuneration of the directors, key managerial personnel and other employees;
- Formulation of criteria for evaluation of independent directors and the Board;
- Devising a policy on Board diversity; and
- Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal.

Nomination and Remuneration Policy:

The Committee is in process of formulating Nomination and Remuneration Policy which determines criteria inter-alia qualification, positive attributes and independence of Directors for their appointment on the Board of the Company and payment of remuneration to Directors, Key Managerial Personnel and other Employees. The Committee shall consider the following attributes / criteria, whilst recommending to the Board the candidature for appointment as Director.

- Qualification, expertise and experience of the Directors in their respective fields;
- Personal, Professional or business standing;
- Diversity of the Board

In case of re-appointment of Non Executive Directors, the Board shall take into consideration the performance evaluation of the Director and his engagement level.

STAKEHOLDERS' RELATIONSHIP COMMITTEE:

The Board of Directors of the Company has re-named Share Holders Grievance/ Share Transfer Committee as 'Stakeholders Relationship Committee' in order to align it with the provisions of Section 178 of the Companies Act, 2013. The Committee has been constituted to strengthen the investor relations and to inter-alia, look into issues relating to shareholders grievances pertaining to transfer of shares, non- receipt of declared dividends, non-receipt of Annual Report, issues concerning de-materialization etc. During the year no letters/complaints were received from the Investors and none of the complaints is pending as on date. None of the complaints required the attention of Investors Grievance Committee.

This committee presently consists of three directors namely, MR. MAHENDRA GANATRA, MR. RAMANLAL TRIVEDI and MR. KETANBHAI SORATHIYA. Two meetings were held on 26.05.2014 and 12.02.2015

GENERAL BODY MEETINGS AND LOCATION AND TIME FOR LAST 3 YEARS ANNUAL GENERAL MEETINGS:

| Financial Year | Location | Date | Time A.M./ P.M. | Particulars of the Special Resolution |
|--|------------------------------|------------|-----------------|---------------------------------------|
| 2013-14 | At registered office address | 27.09.2014 | 01:00 PM | NA |
| 2012-13 | | 30.09.2013 | 10.00 AM | NA |
| 2011-12 | | 31.08.2012 | 02.00 PM | NA |
| No special resolution was required to be carried out through postal ballot during the last year. No resolution is proposed by postal ballot at the ensuing Annual general meeting. | | | | |

LOCATION AND TIME WHERE EXTRAORDINARY GENERAL MEETINGS WERE HELD FOR LAST THREE YEARS:

| Financial Year | Location | Date | Time A.M./P.M. | Particulars of the Special Resolution |
|---|--|------------|----------------|---|
| 2013-14 | -- | -- | -- | -- |
| 2012-13 | -- | -- | -- | -- |
| 2011-12 | A/302, Maruti Complex, Gotri Road, Nr. Natubhai Circle, Vadodara -390006 | 21.04.2011 | 01.00 P.M. | - Change of name of company - Increased Authorized Capital - Alteration in MOA & AOA - Issue of Convertible Warrants on Preferential Basis |
| The above resolution which was put to vote by show of hands was passed unanimously. | | | | |

DISCLOSURES

- o There are no materially significant related party transactions i.e. transactions of the Company of material natures, with its promoters, the directors or the managements, their subsidiaries or relatives etc., that may have potential conflict with interest of the Company at large.
- o No penalties or strictures were imposed on the Company by the Stock Exchange or SEBI or any statutory authority, on any matter related to capital markers, during the last three years.
- o The Company has complied with various rules and regulations prescribed by the Stock Exchange and SEBI during the last three years. No penalties or strictures have been imposed by them on the Company.

MEANS OF COMMUNICATION

The Company has submitted its quarterly, half yearly and yearly financial results to the Stock Exchanges as well as website of the company immediately after its approval by the Board. The Company did not send the half yearly report to the Shareholders of the Company.

CEO/CFO CERTIFICATION under clause 41 and clause 49 of the Listing Agreement with Stock Exchanges have been submitted to the Board by the CEO and CFO.

GENERAL SHAREHOLDERS INFORMATION

| | | | |
|---|---|------------------------------------|------------------------------|
| Financial Year | 1st April to 31st March | | |
| Date and time of Annual General Meeting | Tuesday, 29th September, 2015 at 10.00 A.M. | | |
| Venue of Annual General Meeting | FF-30, FLAT NO. 103, SUN SQUARE COMPLEX, SAMA SAVLI ROAD, VADODARA-390008, GUJARAT, INDIA | | |
| Dates of Book Closure | 23.09.2015 to 29.09.2015 | | |
| Listing on Stock Exchange | BSE Limited, Mumbai | | |
| Stock Code and Scrip ID | 513613 (BSE) and PRESHAMET (BSE) | | |
| Demat ISIN No. | INE908L01013 | | |
| Tentative Calendar for the 2015-16 | | | |
| Quarterly Financial Results | Date of Board Meeting | Quarterly Financial Results | Date of Board Meeting |
| First Quarter Results | Before 15.08.2015 | Third Quarter Results | Before 15.02.2016 |
| Second Quarter Results | Before 15.11.2015 | Fourth Quarter Results | Before 15.05.2016 |

CATEGORIES OF SHAREOWNERS AS ON 31.03.2015

| Category | No. of Shares Held | Voting Strength (%) |
|---------------------------------------|--------------------|---------------------|
| Promoters | Nil | Nil |
| Resident Individuals | | |
| share capital up to Rs. 1 lakh | 97957 | 0.69 |
| share capital in excess of Rs. 1 lakh | 944288 | 6.61 |
| Bodies Corporate | 12175579 | 85.20 |
| Hindu Undivided Families | 1041976 | 7.29 |
| Clearing Members | 30000 | 0.21 |
| Total | 14289800 | 100.00 |

DISTRIBUTION OF SHAREHOLDING AS ON 31.03.2015

| Share Balance | Holders | % of Total | Total Shares | % of Total |
|------------------|------------|---------------|-----------------|---------------|
| Up to – 2500 | 140 | 44.16 | 12365 | 0.09 |
| 2501- 5000 | 19 | 5.99 | 8569 | 0.06 |
| 5001- 10000 | 8 | 2.52 | 6829 | 0.05 |
| 10001- 20000 | 17 | 5.36 | 26369 | 0.18 |
| 20001- 30000 | 7 | 2.21 | 18512 | 0.13 |
| 30001- 40000 | 5 | 1.58 | 18640 | 0.13 |
| 40001- 50000 | 9 | 2.84 | 42668 | 0.30 |
| 50001-100000 | 18 | 5.68 | 147176 | 1.03 |
| 100001 and above | 94 | 29.65 | 14008672 | 98.03 |
| Total | 317 | 100.00 | 14289800 | 100.00 |

STOCK MARKET DATA

The monthly movement of Equity Share prices on BSE during the year is summarized below:

| Month | Highest (Rs) | Lowest (Rs) |
|--------|--------------|-------------|
| Apr-14 | 84.35 | 63.50 |
| May-14 | 73.00 | 65.00 |
| Jun-14 | 70.05 | 66.00 |
| Jul-14 | 70.10 | 67.85 |
| Aug-14 | 72.00 | 69.00 |
| Sep-14 | 73.35 | 66.50 |
| Oct-14 | 76.40 | 69.50 |
| Nov-14 | 70.50 | 66.30 |
| Dec-14 | 70.15 | 66.95 |
| Jan-15 | 70.10 | 62.30 |
| Feb-15 | 68.10 | 57.80 |
| Mar-15 | 66.00 | 54.65 |

REGISTRAR AND SHARE TRANSFER AGENT

M/s SATELLITE CORPORATE SERVICES PRIVATE LIMITED having its registered office at B-302, Sony Apartment, Opp. St. Judge's High School, Off Andheri-Kurla Road, Jarimari, Sakinaka, Mumbai-400072 Maharashtra, INDIA is the Registrar & Share Transfer Agent for processing the transfer of securities issued by the Company.

SHARE TRANSFER SYSTEM

Transfer of Shares in Physical form are registered and dispatched within 3 weeks from the date of their receipts, subject to the documents being valid and complete in all respects. Transfer of shares are processed by the Share Transfer Agents and approved by the Share Transfer Committee called as "Investor / Shareholders Grievance Committee", which meets at frequent intervals. Share transfers are registered and returned within 15 days from the date of receipt, if the relevant documents are complete in all respect.

DEMATERIALIZATION OF SHARES AND LIQUIDITY

The Equity Shares of your company are traded in compulsory dematerialization form by all investors. The company has entered into agreements with existing Depository, National Securities Depository Limited (NSDL) enabling the investors to hold shares of the company in electronic form through the depository of their choice.

ADDRESS FOR CORRESPONDENCE

FF-30, FLAT NO. 103, SUN SQUARE COMPLEX, SAMA SAVLI ROAD, VADODARA-390008, GUJARAT, INDIA

Investors Correspondence/ Complaints to be address to

MR. KETANBHAI SORATHIYA - Director and Compliance Officer

E-mail: preshametallurgicaltd@gmail.com

DECLARATION

DECLARATION OF COMPLIANCE WITH THE CODE OF CONDUCT OF THE COMPANY

In the above regards, I declare as follows:

1. The company does have a code of conduct approved by its board of directors, which would be posted on its website shortly.
2. All the members of the board of directors and all the members of the Senior Management of the Company have individually submitted statements of affirmation of compliance with the code of conduct as applicable to the financial year ended on March 31st 2015.

PLACE: VADODARA
DATE: 31.08.2015

For and on Behalf of the Board
For, PRESHA METALLURGICAL LIMITED

Sd/-
(KETANBHAI SORATHIYA)
CHAIRMAN

Certification on Corporate Governance

To the members of PRESHA METALLURGICAL LIMITED:

We have examined the compliance of conditions of Corporate Governance by **PRESHA METALLURGICAL LIMITED** for the year ended 31st March, 2015 as stipulated in Clause 49 of the Listing Agreement of the Company with the Stock Exchanges.

The compliance of condition of Corporate Governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanation given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.

We have been explained that no investor grievances are pending for a period exceeding one month against the Company as per the records maintained by the Company.

We further state that such compliances is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

PLACE: LUDHIANA
DATE: 31.08.2015

For, Y. D. & Co
CHARTERED ACCOUNTANTS
FRN: 018846N

Sd/-
CA RAKESH PURI
PARTNER
M. No.: 092728

INDEPENDENT AUDITORS' REPORT

TO
THE MEMBERS
PRESHA METALLURGICAL LIMITED
Vadodara

Report on the Financial Statements

We have audited the accompanying financial statements of **PRESHA METALLURGICAL LIMITED**, which comprise the Balance Sheet as at 31 March 2015, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters 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 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, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes the maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding of the assets of the Company and for preventing and detecting the 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 internal financial control, 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.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Opinion

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 Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India;

- a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2015;
- b) in the case of the Statement of Profit and Loss, of the profit for the year ended on that date; and
- c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Report on other Legal and Regulatory Requirements

As required by the Companies (Auditor's Report) Order, 2015, issued by the Central Government of India in term of sub-section (11) of section 143 of the Companies Act, 2013, we give in the Annexure a statement on the matters specified in the paragraphs 3 and 4 of the Order, to the extent applicable.

As required by section 143(3) of the Act, we report that:

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- b) In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books
- c) The Balance Sheet, the Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e) On the basis of written representations received from the directors as on 31 March, 2015, taken on record by the Board of Directors, none of the directors is disqualified as on 31 March, 2015, from being appointed as a director in terms of Section 164(2) of the Act.
- f) With respect to the other matters included in the Auditor's Report and to our 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 derivatives contracts for which there were any material foreseeable losses
 - iii. There were no amounts which required to be transferred to the Investor Education and Protection Fund by the Company.

For, Y. D. & Co
CHARTERED ACCOUNTANTS
FRN: 018846N

PLACE: LUDHIANA
DATE: 28.05.2015

Sd/-
CA RAKESH PURI
PARTNER
M. No.: 092728

THE ANNEXURE REFERRED TO IN PARAGRAPH 1 OF THE OUR REPORT OF EVEN DATE TO THE MEMBERS OF PRESHA METALLURGICAL LIMITED ON THE ACCOUNTS OF THE COMPANY FOR THE YEAR ENDED 31.03.2015.

On the basis of such checks as we considered appropriate and according to the information and explanation given to us during the course of our audit, we report that:

1. (a) The company has maintained proper records showing full particulars including quantitative details and situation of its fixed assets.
 - (b) As explained to us, fixed assets have been physically verified by the management at reasonable intervals; no material discrepancies were noticed on such verification.
 - (c) In our opinion and according to the information and explanations given to us, no fixed asset has been disposed during the year and therefore does not affect the going concern assumption.
2. The company does not have any inventory. Hence, clause (ii) (a), (b) & (c) are not applicable to the Company.
3. As per information and explanation given to us, the company has not granted loans to parties covered in the register maintained under section 189 of the Companies Act hence clause (iii) (a) & (b) are not applicable to the company.
4. In our opinion and according to the information and explanations given to us there are adequate internal control procedures commensurate with the size of the company and the nature of its. During the course of our audit we have not observed any continuing failure to correct major weakness in internal controls.
5. According to the information and explanations given to us, the Company has not accepted any deposits from the public. Therefore, 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 and the rules framed there under are not applicable to the Company.
6. As informed to us, Central government has not prescribed maintenance of cost records under sub-section (1) of section 148 of the Companies Act, in respect of products of the company.
7. In respect of Statutory dues:
 - a) As per information & according to explanation given to us, the company is generally regular in depositing statutory dues with the appropriate authorities during the year.
 - b) As per information & according to explanation given to us, there are no cases of non deposit with the appropriate authorities of disputed dues of Income-tax, and any other statutory dues with the appropriate authorities during the year.
 - c) There were no amounts which required to be transferred to the Investor Education and Protection Fund by the Company
8. The accumulated losses at the end of the financial year are not more than 50% of its net worth and it has incurred cash losses of Rs 106534/- during the financial year under report and it has also incurred cash losses in the immediately preceding financial year.
9. Based on our audit procedures and according to the information and explanations given to us, there are no loans taken from financial institution, banks or debenture-holders therefore the question of payments does not arise.
10. According to the information and explanations given to us, the company has not given any guarantee for loans taken by others from Banks or financial institutions.

11. The company has not raised any term loans during the year.
12. In our opinion and according to the information and explanations given to us, no material fraud on or by the company, has been noticed or reported, during the course of our audit.

For, Y. D. & Co
CHARTERED ACCOUNTANTS
FRN: 018846N

PLACE: LUDHIANA
DATE: 28.05.2015

Sd/-
CA RAKESH PURI
PARTNER
M. No.: 092728

| BALANCE SHEET AS AT 31ST MARCH 2015 | | | |
|--|---------------------|---------------------------------------|------------------|
| (Amount in Rupees) | | | |
| Particulars | Notes | March 31, 2015 | March 31, 2014 |
| I. EQUITY AND LIABILITIES | | | |
| <u>(1) Shareholder's Funds</u> | | | |
| (a) Share Capital | 2 | 142898000 | 142898000 |
| (b) Reserves and Surplus | 3 | 398513919 | 398620453 |
| <u>(2) Share Application money pending allotment</u> | | 00 | 00 |
| <u>(3) Non-Current Liabilities</u> | | 00 | 00 |
| <u>(4) Current Liabilities</u> | | | |
| (a) Short-Term Provisions | 4 | 125936 | 115936 |
| Total Equity & Liabilities | | 541537855 | 541634389 |
| II. ASSETS | | | |
| <u>(1) Non-Current Assets</u> | | | |
| (a) Fixed Assets | 5 | 38000000 | 38000000 |
| (b) Non-current investments | 6 | 323266000 | 177932300 |
| <u>(2) Current Assets</u> | | | |
| (a) Current investments | 7 | 53361168 | 186832968 |
| (b) Trade receivables | 8 | 124638722 | 123216000 |
| (c) Cash and cash equivalents | 9 | 2166135 | 2204052 |
| (d) Short-term loans and advances | 10 | 105830 | 13449069 |
| Total Assets | | 541537855 | 541634389 |
| Notes to Accounts 1 to 22 | | | |
| Schedules referred to above and notes attached there to form an integral part of Balance Sheet | | | |
| This is the Balance Sheet referred to in our Report of even date. | | | |
| For Y. D. & Co. | | FOR AND ON BEHALF OF THE BOARD | |
| CHARTERED ACCOUNTANTS | | | |
| Firm Reg. No. 018846 N | | | |
| Sd/- | Sd/- | Sd/- | |
| (CA RAKESH PURI) | KETANBHAI SORATHIYA | NILESHKUMAR KHATRI | |
| PARTNER | (DIRECTOR) | (DIRECTOR) | |
| Membership No. 092728 | | | |
| Place: Ludhiana | Place: Vadodara | | |
| Date: 28.05.2015 | Date: 28.05.2015 | | |

| PROFIT & LOSS STATEMENT FOR THE PERIOD ENDED ON 31ST MARCH, 2015 | | | | |
|--|---|---------------------------------------|-----------------|-----------------|
| (Amount in Rupees) | | | | |
| Sr. No | Particulars | Notes | 2014-15 | 2013-14 |
| I | Revenue from operations | | 00 | 00 |
| II | Other Income | | 00 | 00 |
| III | III. Total Revenue (I +II) | | 00 | 00 |
| IV | Expenses: | | | |
| | Employee Benefit Expense | 11 | 0 | 100000 |
| | Financial Costs | 12 | 109 | 250 |
| | Depreciation and Amortization Expense | | 00 | 00 |
| | Other Expenses | 13 | 106425 | 110093 |
| | Total Expenses (IV) | | 106534 | 210343 |
| V | Profit before exceptional and extraordinary items and tax | (III - IV) | (106534) | (210343) |
| VI | Exceptional Items (Excess provision Added Back) | | 00 | 00 |
| VII | Profit before extraordinary items and tax | | (106534) | (210343) |
| VIII | Extraordinary Items | | 00 | 00 |
| IX | Profit before tax (VII - VIII) | | (106534) | (210343) |
| X | Tax expense | | 00 | 00 |
| XI | Profit(Loss) from the period from continuing operations | (IX-X) | (106534) | (210343) |
| XII | Profit/(Loss) from discontinuing operations | | 00 | 00 |
| XIII | Tax expense of earlier period | | 00 | 00 |
| XIV | Profit/(Loss) from Discontinuing operations | (XII - XIII) | 00 | 00 |
| XV | Profit/(Loss) for the period (XI + XIV) | | (106534) | (210343) |
| XVI | Earning per equity share: | | | |
| | (1) Basic | | (0.01) | (0.01) |
| | (2) Diluted | | (0.01) | (0.01) |
| Notes to Accounts | | 1 to 22 | | |
| Notes referred to above and notes attached there to form an integral part of Profit & Loss Statement | | | | |
| This is the Profit & Loss Statement referred to in our Report of even date. | | | | |
| For Y. D. & Co. | | FOR AND ON BEHALF OF THE BOARD | | |
| CHARTERED ACCOUNTANTS | | | | |
| Firm Reg. No. 018846 N | | | | |
| Sd/- | Sd/- | Sd/- | | |
| (CA RAKESH PURI) | KETANBHAI SORATHIYA | NILESHKUMAR KHATRI | | |
| PARTNER | (DIRECTOR) | (DIRECTOR) | | |
| Membership No. 092728 | | | | |
| Place: Ludhiana | Place: Vadodara | | | |
| Date: 28.05.2015 | Date: 28.05.2015 | | | |

| CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2015 | | |
|---|---------------------------------------|---------------------------|
| (Amount in Rupees) | | |
| | 2014-15 | 2013-14 |
| A CASH FLOW FROM OPERATING ACTIVITIES | | |
| Net Profit/(Loss) before Tax and Extra Ordinary Items | (106534) | (210343) |
| Operating Profit before Working Capital Changes | (106534) | (210343) |
| Changes in Working Capital | | |
| Increase/(Decrease) in Receivables | (1422722) | (40004500) |
| Changes in Loans, Advances Tax/TDS | 13343239 | 80106761 |
| Increase/(Decrease) in Other payables | 10000 | (70732) |
| Less-Tax paid | 00 | 00 |
| Net cash from Operating Activities | 11823983 | 39821186 |
| B CASH FLOWS FROM INVESTING ACTIVITIES : | | |
| Purchase /sale of Investment | (11861900) | (39935168) |
| Net cash flow from Investing Activities | (11861900) | (39935168) |
| C Cash Flow From Financing Activities | | |
| Net Cash Received From Financing Activities | 0 | 0 |
| <u>Net Increase/(Decrease) in Cash & Cash Equivalent(A+B+C)</u> | (37917) | (113982) |
| Opening cash & cash equivalent | 2204052 | 2318034 |
| Closing cash & cash equivalent | 2166135 | 2204052 |
| Notes : | | |
| 1. The Cash Flow Statement has been prepared under the "Indirect Method" as set out in the Accounting Standard 3 "Cash flow Statements" Issued by the ICAI. | | |
| 2. Previous Year's figures have been reclassified to confirm with current year's presentation, where applicable | | |
| This is the Cash Flow Statement referred to in our report of even date. | | |
| For Y. D. & Co. | FOR AND ON BEHALF OF THE BOARD | |
| CHARTERED ACCOUNTANTS | | |
| Firm Reg. No. 018846 N | | |
| Sd/- | Sd/- | Sd/- |
| (CA RAKESH PURI) | KETANBHAI SORATHIYA | NILESHKUMAR KHATRI |
| PARTNER | (DIRECTOR) | (DIRECTOR) |
| Membership No. 092728 | | |
| Place: Ludhiana | Place: Vadodara | |
| Date: 28.05.2015 | Date: 28.05.2015 | |

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

NOTE: 1 - SIGNIFICANT ACCOUNTING POLICIES:

| Notes | Sub | |
|-------|-----|--|
| 1 | | The Accounts are prepared on an accrual basis except otherwise stated and under the historical cost conventions, and are in line with the relevant laws as well as the guidelines prescribed by the Department of Company affairs and the Institute of Chartered Accountants of India. |
| | (A) | SYSTEM OF ACCOUNTING: The Company has adopted the accrual basis of accounting in the Preparation of the books of accounts. |
| | (B) | REVENUE RECOGNITION: All incomes are accounted for on accrual basis. |
| | (C) | EXPENSES: It is Company's policy to account for expenses on accrual basis. |
| | (D) | TAXATION: Provision for current tax is not made in the absence of taxable profits during the year as per the applicable provisions of the Income Tax Act, 1961. Deferred Tax Liability/Assets have not arisen during the year. |
| | (E) | INVENTORIES: The Company does not have inventories. |
| | (F) | FIXED ASSETS: Fixed assets are carried at cost less depreciation. Capital work-in- progress is carried at direct cost subject to loading of indirect/incidental cost at the time of capitalization |
| | (G) | INVESTMENTS: Long term investments are stated at cost. Provision for diminution in the value of long term investment is made only if such decline is other than temporary in the opinion of the management. |
| | (H) | RETIREMENT BENEFITS: Provisions of Gratuity are not applicable, as none of the employee has put qualifying service for the same. |
| | (I) | MISCELLANEOUS EXPENDITURE: Preliminary Expenses are amortized over 5 years. |
| | (J) | PROVISIONS AND CONTINGENT LIABILITIES: Provisions are recognized when the Company has a legal and constructive obligation as a result of past event, for which it is probable that a cash outflow will be required and a reliable estimate can be made of the amount of the obligation. Contingent Liabilities are disclosed when the Company has a possible obligation or a present obligation and it is probable that a cash outflow will not be required to settle the obligation. |

Note : 2 Share Capital

| Sr. No | Particulars | Rs. | Rs. |
|--------|---|------------------|------------------|
| | | Current Year | Previous Year |
| 1 | <u>AUTHORIZED CAPITAL</u> 1,50,00,000 Equity Shares of Rs. 10/- each | 150000000 | 150000000 |
| | | 150000000 | 150000000 |
| 2 | <u>ISSUED CAPITAL:</u> To the Subscribers of the Memorandum 1, 45,50,000 Equity Shares of Rs. 10/- each | 145500000 | 145500000 |
| | | 145500000 | 145500000 |
| 3 | <u>Subscribed & Paid up :</u> 1,42,89,800 Equity Shares of Rs. 10/- each | 142898000 | 142898000 |
| | Total in | 142898000 | 142898000 |

Note : 3 Reserve & Surplus

| | | | |
|---|--|------------------|------------------|
| 1 | Securities Premium reserve | 400000000 | 400000000 |
| 2 | Surplus (Profit & Loss Account) | (1486081) | (1379547) |
| | Balance brought forward from previous year | (1379547) | (1169204) |
| | Less: Prior Period Item TDS written Off | 00 | 00 |
| | Add: Profit for the period | (106534) | (210343) |
| | Total in | 398513919 | 398620453 |

Note : 4 Short Term Provisions

| Sr. No | Particulars | Rs. | Rs. |
|-----------------|------------------------|---------------|---------------|
| | | Current Year | Previous Year |
| 1 | Provision for Taxation | 105936 | 105936 |
| 2 | Audit Fees Provisions | 20000 | 10000 |
| Total in | | 125936 | 115936 |

Note : 5 Fixed Asset

| Sr. No | Particulars | Rate | Gross Block | | | | Depreciation | | | | Net Block | |
|--------|------------------------|-------|------------------------|--------------------------|---------------------------|------------------|------------------------|--------------------------|---------------------------|------------------|-----------|----------------------|
| | | | Value at the beginning | Addition during the year | Deduction during the year | Value at the end | Value at the beginning | Addition during the year | Deduction during the year | Value at the end | 31.03.15 | WDV as on 31.03.2014 |
| I | Tangible Assets | | | | | | | | | | | |
| Free | Hold Land | 0.00% | 38000000 | 00 | 00 | 38000000 | 00 | 00 | 00 | 00 | 38000000 | 38000000 |
| | SUB TOTAL (A) | | 38000000 | 00 | 00 | 38000000 | 00 | 00 | 00 | 00 | 38000000 | 38000000 |
| | (Previous Year) | | 38000000 | 00 | 00 | 38000000 | 00 | 00 | 00 | 00 | 38000000 | 38000000 |

Note : 6 Non Current Investment

| 1 | Investment in Equity Instrument(At Cost) | Rs. | Rs. |
|---|--|------------------|------------------|
| | | | |
| | Quoted | | |
| | 205000 Equity Shares of SIMPLEX TRADING AND AGENCIES LTD | 0 | 42098800 |
| | 5000000 Equity Share of INTERFACE FINANCIAL SERVICES LTD | 0 | 5000000 |
| | KAPPAC PHARMA LTD | 317141000 | 23000000 |
| | SAIANAND COMMERCIAL LIMITED | 0 | 20000000 |
| | SUN AND SHINE WORLDWIDE LIMITED | 0 | 80000000 |
| | TURBOTECH ENGINEERING LIMITED | 0 | 1708500 |
| | 70000 E.S. OF MALOO GEMS LTD | 2625000 | 2625000 |
| | | 319766000 | 174432300 |
| | Unquoted | | |
| | 1750 Eq Shares of Balmukhi Textiles P. Ltd | 3500000 | 3500000 |
| | Total in | 323266000 | 177932300 |

Note : 7 Current Investment

| | | | |
|---|---|-----------------|------------------|
| 1 | Investment in Equity Instrument(At Cost) | | |
| | Quoted | | |
| | 2256703(746203) E.S. of KAPPAC PHARMA LTD | 52415168 | 37310168 |
| | INTERFACE FINANCIAL LTD | 946000 | 0 |
| 2 | Unquoted | | |
| | PAN INFOSYSTEM PVT. LTD. | 0 | 10522800 |
| | PARVATI MINERALS PVT. LTD. | 0 | 45000000 |
| | PRATIK MINERALS PVT. LTD. | 0 | 30000000 |
| | RUDRA SECURITIES & CAPITAL LTD. | 0 | 12000000 |
| | SHANKESHWAR METALS PVT. LTD. | 0 | 30000000 |
| | VASHI CONSTRUCTION PVT. LTD. | 0 | 20000000 |
| | INDURAM DEVELOPERS P. LTD | 0 | 2000000 |
| | Total in | 53361168 | 186832968 |

Note : 8 Trade Receivables

| Sr. No | Particulars | Rs. | Rs. |
|--------|--------------------------------------|------------------|------------------|
| | | Current Year | Previous Year |
| 1 | Outstanding for more than six months | | |
| 2 | Others | | |
| | a) Secured, Considered Good : | 00 | 00 |
| | b) Unsecured, Considered Good : | 124638722 | 123216000 |
| | c) Doubtful | 00 | 00 |
| | - | | |
| | Total in | 124638722 | 123216000 |

Note : 9 Cash & Cash Equivalent

| | | | |
|---|---------------------------------|----------------|----------------|
| 1 | Cash-in-Hand | | |
| | Cash Balance | 2153479 | 2191371 |
| | Sub Total (A) | 2153479 | 2191371 |
| 2 | Bank Balance (Scheduled) | | |
| | Bank Of India 540 | 00 | 65 |
| | Bank Of India 544 | 12656 | 12681 |
| | Sub Total (B) | 12656 | 12681 |
| | Total [A + B] | 2166135 | 2204052 |

Note :10 Short Terms Loans and Advances

| | | | |
|---|------------------------|---------------|-----------------|
| 1 | Others | | |
| | Prepaid Expenses | 55830 | 55830 |
| | Other Loans & Advances | 50000 | 13393239 |
| | Total in | 105830 | 13449069 |

Note : 11 Employment Benefit Expenses

| | | | |
|---|----------------------------|----------|---------------|
| 1 | Salaries, Bonus, PF & ESIC | 0 | 100000 |
| | Total in | 0 | 100000 |

Note : 12 Financial Cost

| | | | |
|---|-----------------|------------|------------|
| 1 | Bank Charges | 109 | 250 |
| | Total in | 109 | 250 |

Note : 13 Depreciation & Amortized Cost

| | | | |
|---|----------------------------------|---------------|---------------|
| 1 | Audit Fees | 10000 | 10000 |
| 2 | Annual Custody Fees | 70225 | 40449 |
| 3 | Listing Fees | 00 | 44944 |
| 4 | Legal Fees | 0 | 500 |
| 5 | Printing And Stationery Expenses | 0 | 2200 |
| 6 | Misc. Exp. | 26200 | 12000 |
| | Total in | 106425 | 110093 |

Note: 14 Balances of Sundry Debtors, Creditors, Loans and Advances are subject to confirmation and reconciliation.

Note: 15 In the opinion of the Board of directors, the current assets, Loans & advances are approximately of the value stated if realized in the ordinary course of business. The provision of all known liabilities is adequate and not in excess of the amount reasonably necessary.

- Note: 16** No remuneration has been paid to the directors during the year.
- Note: 17** Related Party Transaction. No related party transaction were carried out during the year
- Note: 18** Segment Information: There is no reportable segment as per the contention of the management.
- Note: 19** **CONTINGENT LIABILITIES:**
A Demand of Income Tax of Rs. 21,50,51,870/- is pending for the A.Y. 2012-13 against the company Aggrieved by the order, an appeal was filed before the CIT. The said Appeal is yet pending for disposal. The company is hopeful of getting a favorable decision from the Appellate authorities.
- Note: 20** Basic and Diluted Earning per share (EPS) computed in accordance with Accounting Standard (AS) 20 "Earning Per Share"

| Particulars | 31.03.2015 Rs. | 31.03.2014 Rs. |
|--|-------------------|-------------------|
| a. Numerator Profit / (Loss) after Tax | (106534) | (210343) |
| b. Denominator Weighted average number of Nos. Equity shares | 14289800 | 14289800 |
| c. EPS (Basic & Diluted) Numerator/Denominator | (0.01) | (0.01) |

| Note: 21 | Payment to Auditor's | 2014-15 Rs. | 2013-14 Rs. |
|----------|----------------------|----------------|----------------|
| | For Audit | 10000 | 10000 |
| | For Company Matters | Nil | Nil |

- Note: 22** Previous year figures have been regrouped wherever necessary.

As per our report of even date:

For Y. D. & Co.

CHARTERED ACCOUNTANTS

Firm Reg. No. 018846 N

Sd/-

(CA RAKESH PURI)

PARTNER

Membership No. 092728

Place: Ludhiana

Date: 28.05.2015

FOR AND ON BEHALF OF THE BOARD

Sd/-

KETANBHAI SORATHIYA

(DIRECTOR)

Place: Vadodara

Date: 28.05.2015

Sd/-

NILESHKUMAR KHATRI

(DIRECTOR)

PRESHA METALLURGICAL LIMITED

Reg. office Address: FF-30, FLAT NO. 103, SUN SQUARE COMPLEX, SAMA SAVLI ROAD, VADODARA-390008
CIN: L27101GJ1990PLC013568 E Mail: preshametallurgivaltd@gmail.com

25th ANNUAL GENERAL MEETING On 29.09.2015 at 10.00 A.M. at registered office of the company

| | | |
|-----------------|--|--|
| DP. Id* | | Name & address of the registered shareholder |
| Client Id* | | |
| Regd. Folio No. | | |

* Applicable for shareholding in electronic form.

I/We certify that I/We am/are a registered shareholder / proxy for the registered shareholder of the Company. I/We hereby record my/our presence at the 25th Annual General Meeting of the Company

Signature of Member/s/ Proxy

NOTE: A member or his duly appointed Proxy willing to attend the meeting must fill-up this Admission Slip and hand over at the entrance.

Form No MGT-11

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

| | |
|---------------------|---|
| CIN | L27101GJ1990PLC013568 |
| Name of Company | PRESHA METALLURGICAL LIMITED |
| Reg. Office Address | FF-30, FLAT NO. 103, SUN SQUARE COMPLEX, SAMA SAVLI ROAD, VADODARA-390008 |
| Name of the Member | |
| Registered Address | |
| E Mail Id | |
| Folio No./Client ID | |

I/We, being the member (s) of PRESHA METALLURGICAL LIMITED hereby appoint

| | | | |
|-----------|--|-----------|--|
| Name | | | |
| Address | | | |
| E mail Id | | Signature | |

OR FAILING HIM

| | | | |
|-----------|--|-----------|--|
| Name | | | |
| Address | | | |
| E mail Id | | Signature | |

OR FAILING HIM

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|-----------|--|-----------|--|
| Name | | | |
| Address | | | |
| E mail Id | | Signature | |

As my/ our Proxy to attend and vote for me/us on my/ our behalf at the 25th Annual General Meeting of the Company to be held on 29.09.2015 at 11:00 a.m. at registered office of the company and at any adjournment thereof and respect of such resolution mentioned below:

BALLOT FORM

| Resolution No. | Resolution | For | Against |
|----------------|---|-----|---------|
| 01 | Adoption of Financial Statements for the year ended 31st March 2015. | | |
| 02 | Appointment of M/s. Bipin & Co., Chartered Accountants, Vadodara (FRN 101509W) in place of retiring auditors M/s. Y. D. & Co., Chartered Accountants, Ludhiana, (FRN 018846N) as auditors of the Company for 2015-16. | | |
| 03 | To appoint Mr. MAHENDRA DOLATRAI GANATRA (DIN 00272462), as a Director in the capacity of Non-Executive Director, eligible to retire by rotation. | | |

Signed on thisday of2015.

| |
|---------------------------|
| Affix Revenue Stamp |
|---------------------------|

Signature of shareholder/ Signature of Proxy

NOTE:

1. The Proxy need NOT be a Member.
2. The Proxy Form must be deposited at the Registered Office not less than 48 hours before the scheduled time for holding the meeting.

BOOK-POST

To,

If undelivered, please return to:

Reg. Office: FF-30, FLAT NO. 103, SUN SQUARE COMPLEX, SAMA SAVLI ROAD, VADODARA-390008