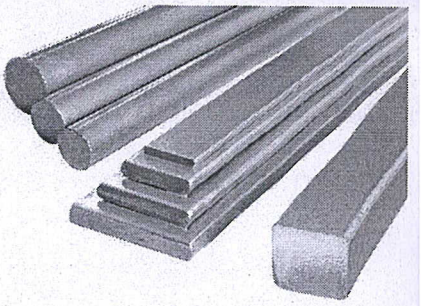
Sharda Ispat Ltd.

Regd. Off.: Kamptee Road, Nagpur - 44 00 26
Tel.: 0712 - 2245156, 2245888, | **Email:** shardaispat.ngp@gmail.com
Website: www.shardaispat.com | **CIN No.:** L74210MH1960PLC011830



01St September, 2021

To,
Manager (CRD)
BSE Limited
Phiroze Jeejeebhoy Towers,
Dalal Street, Fort,
Mumbai – 400001

Scrip Code: 513548

Dear Sir/ Madam,
Sub: - Submission of Annual Report of the Company for FY 2020-21
Submission of Notice convening 60th Annual General Meeting

Pursuant to Regulation 34 (1) of Securities and Exchange Board of India (Listing obligations and Disclosure Requirements) Regulations, 2015, please find enclosed herewith Annual Report of the Company for the Financial Year 2020-21 and the Notice convening the 60th Annual General Meeting to be held on 24th September, 2021.

The Annual Report and Notice of 60th Annual General Meeting is also placed on the website of the Company i.e. www.shardaispat.com- under Annual Report section.

Thanking you,

Yours Sincerely,
For Sharda Ispat Limited

SHARDA ISPAT LTD.

(Amit B.Mundada)
(Company Secretary & Compliance officer)

Encl:- As above

60th Annual REPORT

2020-2021

SHARDA ISPAT LIMITED

NAGPUR

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BOARD OF DIRECTORS

SHRI. NANDKISHORE SARDA	: Chairman & Managing Director
SMT. POONAM SARDA	: Whole-Time Director & CFO
SHRI. H.K.DASS	: Independent Director
SHRI. R.P.MOHANKA	: Independent Director
SHRI. RAMESH MANTRI	: Independent Director

Company Secretary &
Compliance Officer : SHRI. AMIT B. MUNDADA

Secretarial Auditors : M/s. SUNIL KUMAR SHARMA & ASSOCIATES
Practicing Company Secretaries
2nd Floor, Samarth Building, Sona Restaurant Square, C A Road, Gandhibagh, Nagpur - 440002.

Statutory Auditor : M/s. PANPALIYA TAORI & CO
Chartered Accountants,
11, 2nd Floor , Bajaj Wing, NMC Mangalwari Complex, Sadar, Nagpur – 440001

Internal Auditor **:** M/s. LNJ & ASSOCIATES
Chartered Accountants,
Sadar, 2nd Floor, Shreeji Apartment,
Tikekar Road, Dhantoli, Nagpur-440015

Cost Auditor **:** M/s. KHANUJA PATRA & ASSOCIATES
Cost Accountants,
104, Shubhashish Square, Above Tanishq Showroom, Shraddhanand Peth, Abhyankar Nagar, Nagpur-440010

Bankers **:** NAGPUR NAGARIK SAHAKARI BANK LTD.
Dharampeth Branch: Block No. 103, Lok Kalyan Bhavan, Plot No. 184/2, North Bazar Road, Dharampeth, Nagpur-440010

Registered Office **:** Kamptee Road, Nagpur - 440026
Phone No. 0712-2640071
E-mail : shardaispat.ngp@gmail.com

Corporate Office	**:** 'DA-ROCK', Plot No. 230, 6th Floor, Hill Road, Shivaji Nagar, Nagpur-440010
Plant	**:** Kamptee Road, Nagpur – 440026
Address For Correspondence to Share Department	**:** M/s. Adroit Corporate Services Pvt. Ltd. 17 - 20, Jaferbhoy Industrial Estate, Makwana Road, Marol Naka, Marol, Andheri (E), Mumbai – 400059
Website	: www.shardaispat.com

COMMITTEES:

1. **Audit Committee**

Sr.No.	Name of the Members	Position
1.	Shri. R.P. Mohanka	Chairman
2.	Shri. Ramesh Mantri	Member
3.	Shri. H. K. Dass	Member

2. **Nomination and Remuneration Committee**

Sr.No.	Name of the Members	Position
1.	Shri. R.P. Mohanka	Chairman
2.	Shri. Ramesh Mantri	Member
3.	Shri. H. K. Dass	Member

3. **Stakeholders Relationship Committee**

Sr.No.	Name of the Members	Position
1.	Shri. H.K. Dass	Chairman
2.	Shri. Nandkishore Sarda	Member
3.	Smt. Poonam Sarda	Member

4. **Corporate Social Responsibility Committee**

Sr.No.	Name of the Members	Position
1.	Shri. Nandkishore Sarda	Chairman
2.	Shri. R. P. Mohanka	Member
3.	Shri. Ramesh Mantri	Member

SHARDA ISPAT LIMITED

NOTICE OF ANNUAL GENERAL MEETING

NOTICE is hereby given that the 60th Annual General Meeting of the Members of Sharda Ispat Limited will be held on Friday, the 24th day of September, 2021 at 11.00 a.m. (I.S.T), at the corporate office of the Company at Da-rock, Plot no. 230, 6th Floor, Hill Road, Shivaji Nagar, Nagpur-440010, to transact the following business:

ORDINARY BUSINESS

1. Adoption of Audited Financial Statements

To receive, consider and adopt the Audited Financial Statements of the Company including Balance Sheet, Profit and Loss Account and Cash Flow Statement for the year ended as at 31st March, 2021, together with the report of the Board of Directors and Auditors thereon.

2. Re-appointment of a Director

To appoint a Director in place of Smt. Poonam Sarda (DIN 00190512), who retires by rotation at this Annual General Meeting and being eligible, offers herself for re-appointment.

SPECIAL BUSINESS

3. To approve the Remuneration of the Cost Auditor

To consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Section 148 and all other applicable provisions of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s)/re-enactment(s)/ amendment(s) thereof, for the time being in force), the Cost Auditor appointed by the Board of Directors of the Company, to conduct the audit of the cost records of the Company for the Financial Year ending March 31, 2022 be paid a remuneration as set out in the Explanatory Statement annexed to the notice of this Annual General Meeting.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to do all such acts, deeds and things as may be necessary, proper or expedient to give effect to this resolution."

4. AUTHORIZATION UNDER SECTION 186 OF THE COMPANIES ACT, 2013

To consider and if thought fit, to pass with or without modification(s), the following resolution as a Special Resolution:

"RESOLVED THAT in supersession of all the earlier resolutions passed by the members of the Company and pursuant to the provisions of Section 186 and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification (s) or re-enactment (s) thereof for the time being in force) read with Companies (Management and Administration) Rules, 2014 subject to such approvals, consents, sanctions and permissions, as may be necessary, and the Articles of Association of the Company and all other provisions of applicable laws, consent of the shareholders of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the "Board", which term shall include any Committee constituted by the Board or any person(s) authorized by the Board to exercise the powers conferred on the Board by this Resolution) to (i) give any loans to any person or other body corporate or (ii) give any guarantee(s) or to provide any security(ies) in connection with a loan to any other body corporate or person, or (iii) to acquire by way of subscription, purchase, or otherwise, the securities of any other body corporate(s), such as investments in mutual funds, securities, debentures, bonds, bank deposits, commercial papers, treasury bills or in any other way as may be deems fit by director (s) in one or more tranches, for such amount(s) as the board may in its absolute discretion determine provided that the aggregate outstanding amount of such loans /guarantee(s)/security(ies)/investment(s) (apart from the loan(s)/ guarantee(s)/ security(ies)/ investment(s) already given/ made/ held by the Company) shall not any time exceed Rs. 100 crores (Rupees One hundred crores only) over and above the limit of 60% of the paid-up share capital, free reserves and securities premium account or 100% of free reserves and securities premium account of the Company, whichever is more, as prescribed under Section 186 of the Companies Act, 2013.

RESOLVED FURTHER THAT the Board be and is hereby authorized to decide and finalize in its absolute discretion the terms and conditions, the timing and all related matters in respect of the above mentioned loan(s)/guarantee(s)/ security(ies)/ investment(s) including but not limited to timing, the amount and the nature of each such loan(s)/ guarantee(s)/ security(ies)/investment(s), with power to transfer, sell, settle or otherwise dispose of the same, from time to time and to do all such acts, deeds, matters and things, as may be necessary and /or expedient to give effect to this resolution.**"**

By order of the Board of Directors
For Sharda Ispat Limited

Sd/-
(Amit B. Mundada)
Company Secretary

Date: 13.08.2021
Place: Nagpur

NOTES:

1) **A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER.**

   The instrument appointing the Proxy should, however, be deposited at the Registered Office of the Company not less than FORTY-EIGHT HOURS before the commencement of the Meeting. Proxies submitted on behalf of limited companies, societies, partnership firms, etc. must be supported by appropriate resolution/authority, as applicable, issued by the member organization.

   A person can act as a proxy on behalf of Members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten per cent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or a Member.

2) The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 relating to Special Business to be transacted at the meeting is annexed hereto.

3) Corporate Members intending to send their authorized representatives to attend the meeting are requested to send to the Company, a certified copy of the Board Resolution authorizing their representative to attend and vote in their behalf at the Meeting.

4) The Register of Members and Share Transfer Books of the company will remain closed from 17.09.2021 to 24.09.2021 (both days inclusive).

5) The shareholders holding shares in physical mode are requested to intimate the changes, if any, in their registered address, Bank mandates, i.e. name of bank, branch address, and account number, MICR/IFS Code to the Company and/or R & T Agent, or their respective Depository Participants (DPs), if the shares are held in demat mode.

6) In compliance with the provisions of Section 108 of the Act and the Rules framed there under, the Members are provided with the facility to cast their vote electronically, through the e-voting services provided by NSDL, on all the resolutions set forth in this Notice. The e-voting period commences on Tuesday, September 21, 2021 (09:00 a.m.) (IST) and ends on Thursday, September 23, 2021 (5:00 p.m. IST). During this period, Members of the Company, holding shares either in physical form or in dematerialised form, as on the cut-off date, Thursday, September 16, 2021 (record date), may cast their vote electronically. The e-voting module shall be disabled by NSDL for voting thereafter. Members may alternatively cast their votes using the Ballot Form which is attached with this Notice. Members may fill in the Ballot Form attached with the Notice (a copy of the same is also part of the soft copy of the Notice) and submit the same in a sealed envelope to the Scrutinizer, at M/s. Sunil Kumar Sharma & Associates (Practicing

Company Secretaries) 2nd Floor, Samarth Building, Sona Restaurant Square, C.A. Road, Gandhibagh, Nagpur-440002, Maharashtra, so as to reach by 5.00 p.m. on September 23, 2021. Unsigned, incomplete or incorrectly ticked forms are liable to be rejected and the decision of the Scrutinizer on the validity of the forms will be final.

7) In the event member casts his votes through both the processes i.e. E-voting and Ballot Form, the votes in the electronic system would be considered and the Ballot Form would be ignored.

8) The voting rights of the Members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date (record date) i.e. September 16, 2021.

9) The Scrutinizer shall after the conclusion of voting at the AGM, first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than three days of the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.

   The Results will be declared on 27th day of September, 2021.

10) M/s. Sunil Kumar Sharma & Associates (Practicing Company Secretaries) have been appointed as the Scrutinizer to scrutinize the e-voting process and physical ballot, in a fair and transparent manner.

THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING ARE AS UNDER:-

The remote e-voting period begins on 21st September, 2021 at 09:00 A.M. and ends on 23rd September, 2021 at 05:00 P.M. The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e. 16th September, 2021, may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being 16th September 2021. The Even No. of E-voting for Annual General Meeting is 117575.

How do I vote electronically using NSDL e-Voting system?

The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:

Step 1: Access to NSDL e-Voting system

A) Login method for e-Voting for Individual shareholders holding securities in demat mode

In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.
Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	**Login Method**
Individual Shareholders holding securities in demat mode with NSDL.	1. Existing **IDeAS** user can visit the e-Services website of NSDL Viz. https://eservices.nsdl.com either on a Personal Computer or on a mobile. On the e-Services home page click on the "**Beneficial Owner"** icon under **"Login"** which is available under **'IDeAS'** section , this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on **"Access to e-Voting"** under e-Voting services and you will be able to see e-Voting page. Click on company name or **e-Voting service provider i.e. NSDL** and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period. 2. If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select **"Register Online for IDeAS Portal"** or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp 3. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or **e-Voting service provider i.e. NSDL** and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period.

	4. Shareholders/Members can also download NSDL Mobile App "**NSDL Speede**" facility by scanning the QR code mentioned below for seamless voting experience. **NSDL Mobile App is available on** App Store Google Play  
Individual Shareholders holding securities in demat mode with CDSL	1. Existing users who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest is https://web.cdslindia.com/myeasi/home/loginor www.cdslindia.com and click on New System My easi. 2. After successful login of Easi /Easiest the user will be also able to see the E Voting Menu. The Menu will have links of **e-Voting service provider i.e. NSDL.** Click on **NSDL** to cast your vote. 3. If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration. 4. Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN from a link in www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e. **NSDL** where the e-Voting is in progress.
Individual Shareholders (holding securities in demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. Upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period.

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at above mentioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.inor call at toll free no.: 1800 1020 990 and 1800 22 44 30
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022-23058738 or 022-23058542-43

B) Login Method for e-Voting shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

How to Log-in to NSDL e-Voting website?

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.
   Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at https://eservices.nsdl.com/ with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.
4. Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12****** then your

	user ID is IN300***12******.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12********** then your user ID is 12**********
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Password details for shareholders other than Individual shareholders are given below:
   a) If you are already registered for e-Voting, then you can user your existing password to login and cast your vote.

   b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
   c) How to retrieve your 'initial password'?
      (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
      (ii) If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered.**

6. If you are unable to retrieve or have not received the " Initial password" or have forgotten your password:
   a) Click on "**Forgot User Details/Password**?"(If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
   b) **Physical User Reset Password**?" (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
   c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
   d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.

7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
8. Now, you will have to click on "Login" button.
9. After you click on the "Login" button, Home page of e-Voting will open.

Step 2: Cast your vote electronically on NSDL e-Voting system.

How to cast your vote electronically on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle

2. Select "EVEN" of company for which you wish to cast your vote during the remote e-Voting period now you are ready for e-Voting as the Voting page opens.

3. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.

4. Upon confirmation, the message "Vote cast successfully" will be displayed.

5. You can also take the print out of the votes cast by you by clicking on the print option on the confirmation page.

6. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to cssunsharma7@gmail.com with a copy marked to evoting@nsdl.co.in.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.

3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800 1020 990 and 1800 22 44 30 or send a request to Anubhav Saxsena at evoting@nsdl.co.in.

4. Any person holding shares in physical form and non-individual shareholders, who acquires shares of the Company and becomes member of the Company after the notice is send through e-mail and holding shares as of the cut-off date i.e.16th September, 2021 may obtain the login ID and password by sending a request at evoting@nsdl.co.in or Issuer/RTA. However, if you are already registered with NSDL for remote e-voting, then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using "Forgot User Details/Password" or "Physical User Reset Password" option available on www.evoting.nsdl.com or call on toll free no. 1800 1020 990 and 1800 22 44 30 . In case of Individual Shareholders holding securities in demat mode who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holding shares as of the cut-off date i.e. 16th September, 2021 may follow steps mentioned in the Notice of the AGM under "Access to NSDL e-Voting system".

Process for those shareholders whose email ids are not registered with the depositories/ company for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to shardaispat.ngp@gmail.com.

2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to shardaispat.ngp@gmail.com. If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at **step 1 (A**) i.e. **Login method for e-Voting for Individual shareholders holding securities in demat mode**.

3. Alternatively shareholder/members may send a request to evoting@nsdl.co.infor procuring user id and password for e-voting by providing above mentioned documents.

4. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

ANNEXURE TO THE NOTICE

Explanatory Statement as required by Section 102 of the Companies Act, 2013

As required by Section 102 of the Companies Act, 2013, the following explanatory statement set out the material facts relating to Special Business mentioned under Item no's 3 and 4 in the accompanying Notice dated 13th August, 2021.

Item No. 3

The Board, on the recommendation of the Audit Committee, has in its meeting held on 21st June, 2021, approved the appointment of M/s. Khanuja Patra and Associates, Cost and Management Accountants, Nagpur as the Cost Auditor to conduct the audit of the cost records of the Company for the financial year ending 31st March, 2022 at a remuneration of Rs.30,000/- (Rupee Thirty thousand only) .

In accordance with the provisions of Section 148 of the Act read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditor has to be ratified by the shareholders of the Company.

Accordingly, the consent of the members is sought by way of an Ordinary Resolution as set out at Item No. 3 of the Notice for ratification of the remuneration payable to the Cost Auditor for the financial year ending 31st March, 2022.

The Board recommends the Ordinary Resolution set out at Item No. 3 of the Notice for approval by the shareholders.

None of the Directors/ Key Managerial Personnel of the Company and /their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 3 of the Notice.

Item No.4

In view of the provisions of Section 186 of the Companies Act, 2013 to authorize the Board of Directors of the Company to give loan(s), give guarantee(s), provide security(ies) and to make investment(s) together with loan(s)/ guarantee(s)/ security(ies) already given and investments already made by the company to other body corporate(s) or person(s) in the ordinary course of business exceeding the prescribed limits i.e i). Sixty percent of the aggregate of the paid-up share capital and free reserves and securities premium account of the Company or (ii) Hundred percent of its free reserves and securities premium account of the Company, whichever is more, needs prior approval of shareholders of the Company by means of a special resolution.

In order to enable the Board of Directors to explore various opportunities for growth and as a measure of achieving greater financial flexibility and to enable optimal financing structure, this permission is sought pursuant to the provisions of Section 186 of the Companies Act, 2013 to give powers to the Board of Directors or any duly constituted committee thereof, for making further investment(s), providing loan(s) or giving guarantee(s) or providing security (ies) in connection with loans to any body corporate(s) or person up to an amount not exceeding Rs. 100 crores.

Such loan(s) shall be given and investment(s) shall be made or security (ies) shall be provided by the Board of Directors of the Company or Committees thereof in other body corporate(s) or other person(s).

The register of Loans and Investments containing the details required to be mentioned therein shall be open for inspection during the office hours on all working days at the registered office of the Company.

Accordingly, the Board of Directors of the Company proposes to obtain approval of shareholders by way of special resolution as contained in the notice of Annual General Meeting for an amount not exceeding Rs.100,00,00,000/- only (Rupees one hundred crore

only) which is in excess of the limits prescribed under Section 186 of the Companies Act, 2013.

None of the Directors or Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the Special Resolution except to the extent of their directorships and shareholding in the Company and in the bodies corporate in which investments may be made or loans/ guarantees may be given or securities may be provided pursuant to this Special Resolution.

Details of the Directors seeking appointment/re-appointment in the forthcoming Annual General Meeting

(In pursuance of sub-regulation (3) of Sub-regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.)

Name of Director	Smt. Poonam Sarda
Date of Birth	04/02/1972
Expertise in specific functional areas	Company Whole-time Director and Chief Financial officer with business experience
Qualifications	LL.B and C.A. Final (appeared)
Directorships held in other listed entities	None
Membership/ Chairmanship of Committees of other listed entities	None
Shareholding in the Company	1,28,060

By order of the Board of Directors
For Sharda Ispat Limited

Sd/-
(Amit B. Mundada)
Company Secretary

Date: 13.08.2021
Place: Nagpur

Board's Report

Dear Members,

Your Directors take pleasure in presenting the (Sixtieth) 60th Annual Report on the business and operations of your Company together with the Audited Financial Statements for the Financial Year ended 31st March, 2021.

1. FINANACIAL RESULTS: (STANDALONE)

The Company's financial performance for the year ended 31st March, 2021 is summarised below.

(Rs.in Lakhs)

Particulars	2020-21	2019-20
Gross Income	9,673	9,375
Profit Before Interest and Depreciation	614	649
Less: Finance Charges	79	88
Gross Profit	535	561
Less: Provision for Depreciation	76	80
Profit before Exceptional Item and Tax	459	481
Net Profit Before Tax	459	481
Less: Provision for Tax		
a. Current Tax	(111)	(124)
b. Income Tax (earlier years)	(4)	(3)
c. Deferred Tax	2	5
Net Profit After Tax	345	359
Balance of Profit / (Loss) Brought Forward	1,453	1,088
Other Comprehensive Income	160	5
Surplus Carried to Balance Sheet	1,958	1,453

2. STATE OF COMPANY'S AFFAIRS:

Discussion on the state of the Company's affairs has been covered as part of the Management Discussion and Analysis. Management Discussion and Analysis for the year under review, as stipulated under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is presented in a separate section forming part of the Annual Report.

Impact of COVID-19 on operations :

The outbreak of COVID-19 pandemic has led to an unprecedented health crisis and has disrupted economic activities and global trade, while weighing on consumer sentiments. During the year under review, the Government of India had imposed stringent nationwide lockdowns, in phases, which severally impacted manufacturing activities. Though the steel and mining sectors were allowed to operate under the Essential Services Maintenance Act, 1968, they were subject to certain guidelines. Steel demand was affected as key steel consuming sectors struggled to operate amidst weakening economic activities, working capital constraints, shortage of manpower and logistical issues.

The risk- intelligent culture embedded across the Company helped in developing and adopting a multi- prolonged strategy to effectively respond to the evolving pandemic situation. The health and safety of our employees and the communities in which we operate continue to be the foremost priority of the Company. To mitigate the risks and challenges faced by the Company during the pandemic, the Company enhanced safety and hygiene norms at office, implemented work from home, stagerred shift timings for safety of employees and leveraged digital platforms for its day to day operations. During the challenging times, the Company maintained its liquidity position by minimizing cash outflows and maintaining a judicious mix of funding instruments to fulfill its operational requirements.

Further details on the impact of COVID-19 on the Company's operations, cash flow, liquidity and profitability as well as the Company's contribution to the community in the wake of the pendamic is provided in the Management Discussion and Analysis as annexed to this report.

3. DIVIDEND:

In view of meeting our Company's working capital requirements during the ensuing year, your directors express their inability to recommend any dividend for this year.

4. AMOUNTS TRANSFERRED TO RESERVES:

The Board of Directors has decided to retain the entire amount of profit for financial year 2020-21 in the statement of profit and loss.

5. INFORMATION ABOUT SUBSIDIARY/ JOINT VENTURES / ASSOCIATE COMPANY:

During the financial year ending 31st March, 2021, the Company has no Subsidiary, Joint Venture or Associate Companies. Accordingly, a statement under the provisions of Section 129 (3) of the Companies Act, 2013, containing salient features of the financial statements of the Company's subsidiary in Form AOC-1 is not enclosed.

6.TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND:

Since there was no unpaid/unclaimed dividend declared and paid last year, the provisions of Section 125 of the Companies Act, 2013 do not apply.

7. MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY FROM THE END OF THE FINANCIAL YEAR TILL THE DATE OF THIS REPORT:

Apart from Covid-19 pandemic impact which may affect the financial performance of the Company, there are no other material changes and commitments affecting the financial position of the Company required to be reported under this section. There was no change in the nature of the Company during the year.

8. BOARD OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:

In accordance with the provisions of Section 152 of the Companies Act, 2013 and the Articles of Association of the Company, Smt. Poonam Sarda (DIN 00190512) Director of the Company is retiring by rotation at the upcoming 60th Annual General Meeting and being eligible, offers herself for re-appointment.

The Board of directors recommends her appointment for consideration of the shareholders at item no.2 of the Notice calling 60th Annual General Meeting.

The brief resume and other details relating to Smt.Poonam Sarda (DIN:00190512) who is proposed to be re-appointed, as required to be disclosed under Regulation 36 (3) of SEBI (Listing Obligations and Disclosure Requirements) regulations, 2015, is incorporated in the annexure to the notice calling 60th Annual General Meeting.

None of the Directors of your Company are disqualified under the provisions of Section 164 (2)(a) and (b) of the Companies Act, 2013.

During the period under review, no Non-Executive Director of the Company had any pecuniary relationship or transactions with the Company.

Smt. Poonam Sarda was appointed as Director of the Company on 21.01.2010 and further as Whole-time Director on 01.04.2012 and has been continued as Woman Director of the Company.

As per the provisions of Section 203 of the Companies Act, 2013, the Board of Directors noted that Shri. Nandkishore Sarda (DIN 00229911), Chairman and Managing Director, Smt. Poonam Sarda, (DIN 00190512) Whole-time Director and Chief Financial Officer and Shri. Amit B. Mundada (Company Secretary and Compliance officer) are the key managerial Personnel of the Company as on the date of this Board's Report.

Your Company has received the necessary declaration from each Independent Directors who are part of board confirming that:

a. He mets the criteria of independence as laid down in Section 149 (6) of the Companies Act, 2013 read with the schedules, rules made thereunder and Regulation 25 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015; and
b. Registered themselves with the Independent Director's databank as per the Companies (Appointment and Qualification of Directors) Fifth Amendment Rules, 2019.

Key Managerial Personnel

During the year under review, there were no changes in Directorship of the Company as well as in Key Managerial Personnel category.

9. ANNUAL EVALUATION:

The Board has carried out an annual evaluation of effectiveness of its functioning, that of its Committees and individual Directors in the manner specified by the Nomination and Remuneration Committee.

The Nomination and Remuneration Committee reviewed the performance of the Individual Directors, the Board as a whole and its committees.

The performance evaluation of the Chairman and the Non Independent Directors was carried out by the Independent Directors. Also, the Independent Directors, at their meeting held on 12th February, 2021 reviewed the performance of the Board, its Chairman and Executive Directors of the Company.

10. FAMILIARIZATION PROGRAMMES FOR BOARD MEMBERS

The familiarization program aims to provide insights to the Independent Directors to understand the business of the Company. Upon induction, the independent directors are familiarized with their roles, rights and responsibilities. Your Company provides information to familiarize the Independent Diectors with the strategy, operations, and functions of the Company.

At various Board Meetings during the year, the Board Members are provided with information and are given an opportunity to interact with the senior management of your Company to help them to understand the Company's strategy /policies, business model, operations, products, markets, organization structure, finance, human resources, technology, quality, facilities and risk management, changes in the regulatory environment applicable to the corporate sector and to the industry in which it operates and such other matters as may arise from time to time.

Quarterly information on business performance, operations, safety, market scenario, financial parameters, working capital management, fund flows, senior management change, major litigation, compliances, donations, regulatory scenario etc.

The policy on familiarization programmes for Independent Directors is posted on the website of the Company http://shardaispat.com/investor/policy.

11. REMUNERATION POLICY:

Remuneration to Executive Directors:

The remuneration paid to Executive Directors is recommended by the Nomination and Remuneration Committee and approved by the Board of Directors at the Board meeting, subject to the subsequent approval of the Shareholders at the General Meeting and such other authorities, as may be required. The remuneration is decided after considering various factors such as qualification, experience, performance, responsibilities shouldered, positive attributes, industry standards as well as the financial position of the Company.

Remuneration to Non- Executive Directors:

The Non-Executive Directors are paid remuneration by way of sitting fees. The Non-Executive Directors are paid sitting fees for each meeting of the Board and Committee of directors attended by them.

The policy on Appointment and Remuneration of Directors, Key Managerial Personnel and other employees is posted on the website of the Company http://shardaispat.com under the policy tab in Investor section.

12. DIRECTOR'S RESPONSIBILITY STATEMENT:

Pursuant to the requirements under Section 134 sub-section (3) (c) and (5) of the Companies Act, 2013, the Board of Directors hereby states and confirms that:

(i) In the preparation of the annual accounts for the year ended 31st March, 2021, the applicable accounting standards read with requirements set out under Schedule III to the Act, have been followed and there were no material departures from the same;

(ii) The Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the Company's state of affairs as at March 31, 2021 and of the profit of the Company for the year ended on that date;

(iii) The Directors have taken Proper and sufficient care has been taken 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;

(iv) The Directors have prepared the annual accounts on a 'going concern 'basis.

(v) The Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively; and

(vi) The Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

13. AUDITORS AND THEIR REPORT:

STATUTORY AUDITORS

At the Annual General Meeting for the financial year 2019-20 held on 11th December, 2020, M/s. Panpalia Taori & Co., Chartered Accountants, Nagpur were appointed as statutory auditors of the Company to hold office till the conclusion of the Annual General Meeting (AGM) to be held in the calendar year 2025.

The Notes on financial statements referred to in the Auditor's Report are self-explanatory and do not call for any further comments. The Auditor's Report does not contain any qualification, reservation or adverse remark. During the year under review, the Auditor's did not report any matter under Section 143 (12) of the Companies Act, 2013, therefore no detail is required to be disclosed under Section 134 (3) (ca) of the Companies Act, 2013. The Statutory Auditor Report including financial statement for the financial year ended 31st March, 2021 is annexed herewith marked as Annexure-1 to this report.

COST AUDITORS

Pursuant to Section 148 (1) of the Companies Act, 2013 the Company is required to maintain cost records as specified by the Central Government and accordingly such accounts and records are prepared and maintained. As per the provisions of Section 148 (2) of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Amendment Rules, 2014, the Company is also required to get its cost accounting records audited by a Cost Auditor. Accordingly, the board, at its meeting held on 21st June, 2021 has on the recommendation of the Audit Committee, appointed Shri. Deepak Khanuja, partner of M/s. Khanuja Patra & Associates, Cost Accountants, Nagpur to conduct the audit of the cost accounting records of the Company for the financial year 2021-22 on a remuneration of Rs. 30,000/-.

The remuneration is subject to the ratification of the members in terms of Section 148, read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014 and is accordingly

placed before the Shareholders for ratification. Accordingly, a resolution to this effect forms part of the Notice convening the AGM.

SECRETARIAL AUDITOR:

The Board has appointed M/s. Sunil Kumar Sharma and Associates, Practicing Company Secretaries, to conduct the Secretarial Audit of the Company for the financial year 2020-21. The Secretarial Audit Report for the financial year ended 31st March, 2021 is annexed herewith marked as Annexure-6 to this report.

With reference to the comment of the secretarial auditors regarding-

The Company has not paid listing fee to Calcutta Stock Exchange and the Status of the Company as viewed on the website of Calcutta Stock Exchange, is Suspended.

The necessary clarification/ explanation on the qualification/ adverse remark in the Secretarial Audit Report is given below:

The Company has stepped up and is in the process to expel the suspension from Calcutta Stock Exchange.

14. CORPORATE SOCIAL RESPONSIBILITY:

With the objective of sustainable development and continual improvement, your Company adopts a positive approach to Corporate social responsibility to connect with the society by creating a sense of belonging. Your Company strives for sustainable development programs in partnership with the community.

Members are requested to refer the Corporate Governance Report forming part of this annual report for the composition of the Corporate Social Responsibility Committee. The CSR policy of your Company is available on the website of the Company- http://shardaispat.com/investor/policy under the head policies under the Investor's section. The annual report on the CSR activities is annexed as Annexure-2 to this report. During the year, the Company's spending on CSR has been more than the statutorily required.

15. CORPORATE GOVERNANCE:

Pursuant to the SEBI Listing Regulations, the Corporate Governance Report along with the Certificate from a Practicing Company Secretary, certifying compliance with conditions of Corporate Governance, is annexed to this Report.

16. DISLOSURES

MEETINGS OF THE BOARD AND COMMITTEES OF THE BOARD:

The Board met six times during the year under review. The intervening gap between the meetings was within the period prescribed under the Companies Act, 2013. The Committees of the Board usually meet the day before or on the day of the Board meeting, or whenever the need arises for transacting business. Details of composition of the Board and its Committees as well as details of the Board and Committees meetings held during the year under review are given in the Corporate Governance Report.

PARTICULARS OF LOAN GIVEN, INVESTMENTS MADE, GUARANTEES GIVEN AND SECURITIES PROVIDED:

Particulars of Loans given and investments made are given in Note No. 13 and 6 to the financial statements. The loans given are utilized by the recipient for their business purposes. There are no guarantees or securities granted as referred to in Section 186 of the Companies Act, 2013. Members are requested to refer the notes of the finanacial statements for details.

DETAILS OF ADEQUACY OF INTERNAL FINANCIAL CONTROLS:

The Company's internal control systems are commensurate with the nature of its business, the size and complexity of its operations and such internal financial controls with reference to the Financial Statements are adequate.

(Refer MD & A para Internal Control Systems and Their Adequacy for detail analysis.)

RELATED PARTY TRANSACTIONS:

In line with the requirements of the Companies Act, 2013 and the SEBI Listing Regulations, the Company has formulated a Policy on Related Party Transactions and the same can be accessed on the Company's website at http://shardaispat.com under the head policy in Investor section. During the year under review, all Related Party Transactions entered into by the Company were approved by the Audit Committee and were at arm's length.

The details of related party disclosures with respect to loans/advances/investments at the year end and the maximum outstanding amount thereof during the year, as required under Part A of Schedule V of the Listing Regulations have been provided in the notes to the Financial Statements of the Company. (Please refer Note No. 13 and 37 of the financial statements).

Particulars of material contracts/ arrangements entered into by the Company with related parties referred to Section 188 (1) of the Companies Act, 2013 are provided in Form AOC-2, which is annexed herewith as Annexure-3. Details of related party

transactions entered into by the Company, in terms of IND AS-24 have been have been provided in Note '37' to the financial statements.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE OUTGO:

The information on conservation of energy, technology absorption and foreign exchange outgo, as required to be disclosed under Section 134 (3) (m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014 is annexed herewith as Annexure – 4.

ANNUAL RETURN:

Pursuant to Section 92 (3) of the Companies Act,2013 read with Rule 12 of the Companies (Management and Administration) Rules, 2014, the Annual Return for Financial year 2020-21 is available on Company's website at http://shardaispat.com.

PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES:

The information required pursuant to Section 197 (12) of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended, has been provided in Annexure-5.

RISK MANAGEMENT POLICY:

Periodic assessments to identify the risk areas are carried out and management is briefed on the risks in advance to enable the Company to control risk through a properly defined plan. The risks are classified as financial risks, operational risks and market risks. While preparing the annual business plan for the year the Board is also periodically informed of the business risks and the actions taken to manage them. The Company has formulated a policy for Risk Management with the following objectives:

(a) Provide an overview of the principles of risk management.
(b) Explain approach adopted by the Company for risk management.
(c) Define the organisational structure for effective risk management.
(d) Develop a "risk" culture that encourages all employees to identify risks and associated opportunities and to respond them with effective actions.
(e) Identify, assess and manage existing and new risks in a planned and coordinated manner with minimum disruption and cost, to protect and preserve Company's human, physical and financial assets.

The risk management policy of your Company is available on the website of the Company- http://shardaispat.com/investor/policy.

GENERAL

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

1. Details relating to deposits covered under Chapter V of the Companies Act, 2013.
2. Issue of equity shares with differential rights as to dividend, voting or otherwise.
3. Issue of shares (including sweat equity shares) to employees of the Company under any scheme.
4. No significant or material orders were passed by the Regulators or Courts or Tribunal which impact the going concern status and Company's operations in future.
5. The Company is required to maintain cost records as specified by the Central Government under sub-section (1) of Section 148 of the Companies Act, 2013 and such accounts and records are made and maintained.
6. The Company has in place proper systems to ensure compliance with the provisions of the applicable secretarial standards issued by The Institute of Company Secretaries of India and such systems are adequate and operating effectively.
7. There are no such shares of the Company which are to be kept in the shares suspense account.
8. The Company has complied with provisions relateing to the constitution of Internal Complaints committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

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

The disclosures/ information/ details disclosed/ given elsewhere in the annual report have not been repeated again in the Board's Report for the sake of brevity. Members are requested to refer relevant sections for the information. All policies/ disclosures required to be disclosed on the website are available under the Invetors' section on the website of the Company at www.shardaispat.com.

CAUTIONARY STATEMENT

The below Management Discussion and Analysis, describing the Company's objectives, projections, estimates and expectations may be "forward looking statements" within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the company's operations include external economic conditions affecting demand/supply influencing price conditions in the market in which the Company operates, changes in Government regulations, tax laws and other incidental factors.

ACKNOWLEDGEMENT:

During the year under review, your directors take this opportunity to express their sincere appreciation for the co-operation and assistance received from the Banks, Government Authorities, Customers, Vendors and Shareholders. The Directors also wish to place on record their deep sense of appreciation for the committed service of the executives, staff and workers of the Company.

For and on behalf of the Board of Directors
Sd/-
Nandkishore Sarda
Chairman & Managing Director
DIN: 00229911
Address: Plot No. 32,
Cement Road, Shivaji Nagar,
Shankar Nagar, Nagpur-440010

Date: 13.08.2021
Place: Nagpur

INDEPENDENT AUDITOR'S REPORT

To the Members of,
Sharda Ispat Limited

Report on the IND AS Financial Statements

Opinion

1. We have audited the accompanying IND AS Financial Statements of Sharda Ispat Limited ('the Company'), which comprise the Balance Sheet as at 31st March, 2021, the Statement of Profit and Loss (including the statement of Other Comprehensive Income), the Cash flow Statement and the Statement of Changes in Equity for the year then ended and notes to the financial statements including a summary of significant accounting policies and other explanatory information.

2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid IND AS Financial Statements give the information required by the Companies Act, 2013 (the 'Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs (financial position) of the Company as at 31st March, 2021, its profit (financial performance including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

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

Key Audit Matters

4. Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the IND AS financial statements for the financial year ended March 31, 2021. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

5. We have determined the matters described below to be the key audit matters to be communicated in our report:

Key audit matter	**How our audit addressed the key audit matter**
Related Party Transaction The company has entered into various transactions with the related parties. The transaction includes sale of goods, purchase of goods, receiving services, providing loans to related party. Identification, completeness, compliance with laws and disclosure of transaction with related parties are key audit matters. We have identified the related party transaction as a key audit matter because of risks with respect to completeness of disclosure made in the financial statement, judgment involved in assessing whether transaction entered with the related parties are accounted at arm length price and proper compliance of related party transaction with respect to Companies Act, 2013 and SEBI regulations.	Our audit procedure includes the following 1. We have obtained understanding of Companies procedures with respect of identifying related parties. 2. We have assessed whether the effective internal control are in place with respect to identifying, authorizing, recording and disclosing related party transaction. 3. We carried out an assessment of compliance with the Companies Act mainly section 177 and section 188. We have also checked with the compliance with the listing regulation. 4. We have tested on sample basis, related party transactions with the underlying agreement, contracts confirmation letters and other supporting. 5. Obtained an understanding of the Company's procedures in respect of evaluating arms-length pricing and approval process by the audit committee and the board of directors. 6. We considered the adequacy and appropriateness of the disclosures in the financial statement in accordance with relevant Indian Accounting Standard (Ind AS)

Information other than the Financial Statements and Auditor's Report thereon

6. The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual Report but does not include the IND AS financial statements and our auditor's report thereon.

   Our opinion on the IND AS financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

   In connection with our audit of the IND AS financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the IND AS Financial Statements

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

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

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

Auditor's Responsibility

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

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

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

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3) (i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the IND AS financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

Report on Other Legal and Regulatory Requirements

15. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of section 143(11) of the Act, we give in the "Annexure A", a statement on the matters specified in paragraphs 3 and 4 of the Order to the extent applicable.

16. 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 accounts required by law have been kept by the Company's of areas it appears from our examination of those books;

(c) The Balance Sheet, the statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in equity and Cash Flow Statement dealt with by this Report are in agreement with the books of account;

(d) In our opinion, the aforesaid IND AS Financial Statements, comply with the Indian Accounting Standards specified under Section 133 of the Act read with relevant rules issued thereunder;

(e) On the basis of the written representations received from the directors and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2021 from being appointed as a Director in terms of Section 164 (2) of the Act;

(f) We have also audited the internal financial controls over financial reporting (IFCOFR) of the Company as on 31 March 2021 in conjunction with our audit of the financial statements of the Company for the year ended on that date and our report as per "Annexure B" expressed an unmodified opinion;

(g) As required by Section 197 (16) of the Act, we report that the Company has paid remuneration to its directors during the year in accordance with the provisions of and limits laid down under Section 197 read with Schedule V to the Act.

(h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

i. The Company has disclosed the impact of pending litigations on its financial position in the IND AS financial statements as at March 31, 2021. Refer Note 31to the IND AS financial statements on Contingent Liabilities;

ii. The company did not have any material foreseeable losses on long term contracts including derivative contracts;

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended March 31, 2021.

For Panpaliya Taori& Co.
Chartered Accountants

UDIN-21115665AAAADC7160

Ritesh Panpaliya
Partner (M.No.115665)
Firms Reg. No. 125508W

Nagpur, dated

21st June, 2021.

"Annexure A" CARO Reporting To The Independent Auditor's Report Of Even Date On The Financial Statements Of M/S Sharda Ispat Limited

Based on the audit procedures performed for the purpose of reporting a true and fair view on the financial statements of the Company and taking into consideration the information and explanations given to us and the books of account and other records examined by us in the normal course of audit, we report that:

(i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

(b) The Company has a regular program of physical verification of its fixed assets under which fixed assets are verified in a phased manner over a period of three years, which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.

(c) The title deeds of immovable properties are held in the name of the company.

(ii) (a) The management has conducted physical verification of inventory at reasonable intervals during the year, except for goods in-transit and stocks lying with third parties. For stocks lying with third parties at the year-end, written confirmations have been obtained by the management.

(b) The Company is maintaining proper records of inventory and material discrepancies noticed on physical verification have been properly dealt with in the books of account.

(iii) The Company has granted loan, secured or unsecured to companies, firms or other parties covered in the register maintained under Section 189 of the Act. The term and condition of the grant of loan are not prejudicial to the company interest.

(iv) In our opinion and according to the information and explanations given to us, the company has complied with the provisions of section 185 and 186 of the Companies Act, 2013 in respect of loans, investment, guarantees and security.

(v) The Company has not accepted any deposits within the meaning of Section 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.

(vi) We have broadly reviewed the books of account maintained by the Company pursuant to the Rules made by the Central Government for the maintenance of cost records under sub-section (1) of Section 148 of the Act in respect of Company's products/services and are of the opinion that, *prima facie*, the prescribed accounts and records have been made and maintained. However,we have not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.

(vii) (a) The Company is regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, Goods and Service Tax, duty of customs, duty of excise, cess and other material statutory dues, as applicable, with the appropriate authorities and there is no undisputed amount payable in respect of the same which were in arrear at the year-end for a period of more than six months from the date they become payable.

(b) The dues of the Income Tax and Excise Duty as on 31st March 2021 which have not been deposited on account of dispute and the forum where the disputes are pending are as under:

Sr. No.	Name of the Statute	Nature of Dues	Amount (Rs)	Forum where dispute is pending
1	Central Excise Act	Excise Duty & Penalty	19,63,762	Jt. Comm. of Central Excise, Nagpur
2	Income Tax Act, 1961 (A.Y.2014-15)	Income Tax	1,52,630	Commissioner of Income Tax (Appeals), Nagpur

(viii) The Company has not defaulted in repayment of dues to any bank or financial institution during the year. The Company did not have any outstanding debentures during the year.

(ix) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly the provisions of paragraph 3 (ix) of the Order is not applicable.

(x) No fraud on or by the Company has been noticed or reported during the period covered by our audit.

(xi) Based upon the audit procedures performed and the information and explanations given by the management, the managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the CompaniesAct.

(xii) In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause 4 (xii) of the Order are not applicable to theCompany.

(xiii) In our opinion, all transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 and the details have been disclosed in the Financial Statements as required by the applicable accounting standards.

(xiv) Based upon the audit procedures performed and the information and explanations given by the management, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of clause 3 (xiv) of the Order are not applicable to the Company and hence not commented upon.

(xv) Based upon the audit procedures performed and the information and explanations given by the management, the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the provisions of clause 3 (xv) of the Order are not applicable to the Company and hence not commented upon.

(xvi) In our opinion, the company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions of clause 3 (xvi) of the Order are not applicable to the Company and hence not commentedupon.

For Panpaliya Taori& Co.
Chartered Accountants

UDIN-21115665AAAADC7160

Nagpur, dated

21st June, 2021.

Ritesh Panpaliya
Partner (M.No.115665)
Firms Reg. No. 125508W

"Annexure B" to the Independent Auditor's Report of even date on the Financial Statements of M/s Sharda Ispat Limited

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

We have audited the internal financial controls over financial reporting of M/s Sharda Ispat Limited ("the Company") as of March 31, 2021 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

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

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

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2021, based on "the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Panpaliya Taori& Co.
Chartered Accountants

UDIN-21115665AAAADC7160

Ritesh Panpaliya
Partner (M.No.115665)
Firms Reg. No. 125508W

Nagpur, dated

21st June, 2021.

SHARDA ISPAT LIMITED, NAGPUR.
BALANCE SHEET AS AT 31st MARCH 2021

(Rs. In Lakhs)

	PARTICULARS	NOTES	31st March, 2021	31st March, 2020
	Assets			
1	**Non-current assets**			
	(a) Property, plant and equipment	4	233.40	303.22
	(b) Intangible assets	5	0.83	1.19
	(c) Financial assets			
	(i) Investments	6	743.55	32.63
	(ii) Other financial assets	7	54.53	59.36
	(d) Other non- current assets	8	0.30	0.56
	Total Non-Current Assets		**1,032.61**	**396.96**
2	**Current assets**			
	(a) Inventories	9	701.26	560.44
	(b) Financial assets			
	(i) Trade receivables	10	1,224.71	907.96
	(ii) Cash and cash equivalents	11	0.72	1.16
	(iii) Bank balances other than (ii) above	12	22.91	19.32
	(iv) Loans	13	607.39	961.89
	(v) Other financial assets	7	6.78	4.31
	(c) Current tax assets (Net)	14	-	24.41
	(d) Other current assets	15	417.29	412.29
	Total Current Assets		**2,981.06**	**2,891.79**
	TOTAL ASSETS		**4,013.67**	**3,288.75**
	EQUITY AND LIABILITIES			
	Equity			
	(a) Equity share capital	16	507.68	507.68
	(b) Other equity	17	2,256.27	1,751.38
	Total Equity		**2,763.95**	**2,259.06**
	Liabilities			
	Non-Current Liabilities			
	(a) Financial Liabilities			
	(i) Borrowings	18	-	3.30
	(ii) Other Financial Liabilities	19	0.33	47.43
	(b) Provisions	20	31.68	32.99
	(c) Deferred Tax Liabilities (Net)	21	28.25	10.87
	Total Non-Current Liabilities		**60.26**	**94.59**
	Current Liabilities			
	(a) Financial Liabilities			
	(i) Borrowings	18	784.45	597.18
	(ii) Trade payables	22	211.46	148.18
	(iii) Other financial liabilities	19	62.09	67.23
	(b) Other current liabilities	23	77.83	97.78
	(c) Provisions	20	23.03	24.73
	(d) Current tax Liabilities (Net)	24	30.60	-
	Total Current Liabilities		**1,189.46**	**935.10**
	Total Liabilities		**1,249.72**	**1,029.69**
	TOTAL EQUITY AND LIABILITIES		**4,013.67**	**3,288.75**

The accompanying notes are an integral part of the financial statements
As per our report of even date

For & on behalf of the Board of Directors
of Sharda Ispat Limited

Panpaliya Taori and Co.
Firm Registration No. 125508W
Chartered Accountants

(Nandkishore Sarda)
(Chairman cum Managing Director)
(DIN 00229911)

(Amit Mundada)
(Company Secretary)

CA. Ritesh Panpaliya
Partner
Membership No.115665

(Poonam Sarda)
(Whole Time Director & CFO)
(DIN 00190512)

Nagpur
Dated:- 21st June, 2021

Nagpur
Dated:- 21st June, 2021

SHARDA ISPAT LIMITED, NAGPUR.

STATEMENT OF PROFIT AND LOSS FOR YEAR ENDING 31st MARCH 2021

(Rs. In Lakhs)

	PARTICULARS	NOTES	31st March,2021	31st March, 2020
I	**Income**			
	Revenue from Operations	25	9,527.81	9,291.21
	Other Income	26	145.23	84.06
	Total Income		**9,673.04**	**9,375.27**
II	**Expenses**			
	Costs of Material Consumed	27	7,463.28	7,393.73
	Purchases of Stock-in-Trade	28	59.03	28.43
	Changes in Inventories of Stock-in-Trade & Finished Goods	29	312.37	(88.52)
	Employee Benefits Expense	30	225.72	241.76
	Finance Costs	31	78.98	88.20
	Depreciation and Amortisation Expenses	32	76.05	80.06
	Other Expenses	33	999.06	1,150.92
	Total Expenses		**9,214.50**	**8,894.57**
III	**Profit / (Loss) before Tax**		**458.54**	**480.70**
IV	**Tax Expense**			
	(1) Current Tax		(111.30)	(123.86)
	(2) Deferred tax (charge) / credit		2.05	5.03
	(3) Excess / (Short) provision for taxation in respect of earlier years		(4.25) -	(2.72) -
			(113.50)	**(121.55)**
V	**Profit / (Loss) for the Year**		**345.04**	**359.15**
VI	**Other Comprehensive Income**			
	Items that will not be reclassified to profit or loss			
	Gain / Loss on Fair Valuation of Investment		169.83	-
	Remeseaurement of the net defined benefit plans		9.45	5.20
	Deferred Tax on above		(19.43)	-
VII	**Total comprehensive income for the year**		**504.90**	**364.35**
VIII	**Earning per equity share of nominal value of** Rs. **10/- each** Basic and Diluted	34	**6.80**	**7.07**

The accompanying notes are an integral part of the financial statements
As per our report of even date

For & on behalf of the Board of Directors of Sharda Ispat Limited

Panpaliya Taori and Co.
Firm Registration No. 125508W
Chartered Accountants

CA. Ritesh Panpaliya
Partner
Membership No.115665

Nagpur
Dated:- 21st June, 2021

(Nandkishore Sarda)
(Chairman cum Managing Director)
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(Amit Mundada)
(Company Secretary)

(Poonam Sarda)
(Whole Time Director & CFO)
(DIN 00190512)

Nagpur
Dated:- 21st June, 2021

SHARDA ISPAT LIMITED, NAGPUR.

CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH 2021

(Rs. In Lakhs)

	Particulars	31st March, 2021	31st March, 2020
A.	**Cash Flow From Operating Activities**		
	Net Profit(Loss) before tax	**458.54**	**480.70**
	Adjustments for:		
	i) Depreciation & Amortisation	76.05	80.06
	ii) Remeasurement of net defined plan	9.45	5.20
	iii) Interest Paid	78.98	88.20
	iv) Interest Received	(37.31)	(82.10)
	v) Profit on redemption on Mutual Fund	(105.99)	-
	Operating Profit before Working Capital Changes :	**479.72**	**572.05**
	Adjustments for:		
	i) Decrease/(Increase) in Trade & Other Receivables	(316.75)	71.06
	ii) Decrease/(Increase) in Inventories	(140.82)	116.47
	iii)Increase/(Decrease) in Trade Payable & Other Liabilties	42.39	(199.33)
	iv) Increase/(Decrease) in provision	(3.01)	6.86
	v) Decrease/(Increase) in other financial asset and other asset	20.22	141.59
	Cash Generation from Operations	**81.75**	**708.70**
	Add: Taxes Paid	(84.94)	(214.31)
	Net Cash from Operating Activities (A)	**(3.19)**	**494.39**
B.	**Cash Flow From Investing Activities**		
	Purchase Of Fixed Assets	(5.87)	(5.42)
	Loan (given)/received back during the year	354.50	(250.88)
	Interest Received	34.87	82.14
	Investment in mutual fund	(950.00)	-
	(Investment)/ Redemption of Bank deposits	514.90	(4.03)
	Net Cash from Investing Activities (B)	**(51.59)**	**(178.19)**
C.	**Cash Flow From Financing Activities**		
	Increase/(Decrease) in the Borrowings from Bank	220.75	(320.44)
	Increase/(Decrease) in the Unsecured loan	(36.77)	1.59
	Repayment of Lease obligation	(50.65)	(60.66)
	Interest Paid	(78.98)	(71.64)
	Net Cash from Financing Activities (C)	**54.34**	**(451.15)**
	Net Increase/(Decrease) in Cash & Cash Equivalents A+B+C	(0.44)	(134.95)
	Cash & Cash Equivalents at beginning of the year	1.16	136.11
	Cash & Cash Equivalents at the year end	**0.72**	**1.16**

Note:

1) The cash flow statement has been prepared under the indirect method as set out in Indian Accounting Standards (Ind AS) 7, 'Statement of Cash flows'.

2) Figures of the previous year have been regrouped / reclassified wherever necessary.

The accompanying notes are an integral part of the financial statements
As per our report of even date

For & on behalf of the Board of Directors
of Sharda Ispat Limited

Panpaliya Taori and Co.
Firm Registration No. 125508W
Chartered Accountants

(Nandkishore Sarda)
(Chairman cum Managing Director)
(DIN 00229911)

(Amit Mundada)
(Company Secretary)

CA. Ritesh Panpaliya
Partner
Membership No.115665

(Poonam Sarda)
(Whole Time Director & CFO)
(DIN 00190512)

Nagpur
Dated:- 21st June, 2021

Nagpur
Dated:- 21st June, 2021

SHARDA ISPAT LIMITED, NAGPUR.
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2021

Statement of Changes in Equity
Equity share capital

(Rs. In Lakhs)

Particulars	Notes	For the Year ended 31st March 2021	For the Year ended 31st March 2020
A. EQUITY SHARE CAPITAL			
Balance at the beginning of the year	16	**507.68**	**507.68**
Changes in equity share capital during the year		-	-
Balance at the end of the year		**507.68**	**507.68**

B. OTHER EQUITY **(Rs. In Lakhs)**

Particulars	Notes	Capital reserve	Securities Premium reserve	Retained Earnings	Total
Balance at 1st April, 2019		**25.00**	**273.79**	**1,088.24**	**1,387.03**
Profit / (Loss) for the year		-	-	359.15	359.15
Other comprehensive income		-	-	5.20	5.20
Balance at 31st March, 2020		**25.00**	**273.79**	**1,452.59**	**1,751.38**
Balance at 1st April, 2020		**25.00**	**273.79**	**1,452.59**	**1,751.38**
Profit / (Loss) for the year		-	-	345.04	345.04
Other comprehensive income		-	-	159.85	159.85
Balance at 31st March, 2021		**25.00**	**273.79**	**1,957.48**	**2,256.27**

The accompanying notes are an integral part of the financial statements

As per our report of even date

For & on behalf of the Board of Directors of Sharda Ispat Limited

Panpaliya Taori and Co.
Firm Registration No. 125508W
Chartered Accountants

(Nandkishore Sarda)
(Chairman cum Managing Director)
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CA. Ritesh Panpaliya
Partner
Membership No.115665

(Amit Mundada)
(Company Secretary)

(Poonam Sarda)
(Whole Time Director & CFO)
(DIN 00190512)

Nagpur
Dated:- 21st June, 2021

Nagpur
Dated:- 21st June, 2021

SHARDA ISPAT LIMITED, NAGPUR.
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2021

Note 1. Company Overview And Significant Accounting Policies

1.1 Company Overview

Sharda Ispat Limited is a listed public limited company domiciled in India, incorporated under the Companies Act, 1956. The Company is engaged in Manufacturing and job work of alloy steel flat / rolled products which are used in automobile component industries.

1.2 The financial statements are approved for issue by the Company's Board of Directors on 21st June, 2021.

Note 2. Basis of Preparation of Financial Statements

These financial statements have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified by Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013 ('Act') read with of the Companies (Indian Accounting Standards) Rules, 2015 as amended and other relevant provisions of the Act.

Accounting policies are applied consistently to all the periods presented in the financial statements.

The financial statements have been prepared on accrual basis and under the historical cost convention with the exception of certain financial assets and liabilities which have been measured at fair value.

The Company's financial statements are reported in Indian Rupees, which is also the Company's functional currency.

I. Significant accounting judgements, estimates and assumptions

The preparation of financial statement is in conformity with the recognition and measurement principles of Ind AS requires management to make judgements, estimates and assumptions that affect the reported balances of revenues, expenses, assets and liabilities and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Estimates and assumptions

The estimates and judgments used in the preparation of the financial statements are continuously evaluated by the Company and are based on historical experience and various other assumptions and factors (including expectations of future events) that the Company believes to be reasonable under the existing circumstances. Differences between actual results and estimates are recognised in the period in which the results are known/materialised. The said estimates are based on the facts and events, that existed as at the reporting date, or that occurred after that date but provide additional evidence about conditions existing as at the reporting date.

The areas involving critical estimates or judgements are :

a) Estimation of defined benefit obligation
b) Impairment of financial asset such as trade receivables
c) Impairment of Non- financial Assets
d) Estimation of Tax Expense and Liability

Note 3: Significant Accounting Policies:

I. Revenue recognition

The company derives revenues primarily from sale of manufactured goods, traded goods, and related services.

Revenue is recognized on satisfaction of performance obligation upon transfer of control of promised products or services to customers in an amount that reflects the consideration the Company expects to receive in exchange for those products or services. Revenue is measured based on the transaction price, which is the consideration, adjusted to discounts, incentives and returns, etc., if any

The Company does not expect to have any contracts where the period between the transfer of the promised goods or services to the customer and payment by the customer exceeds one year. As a consequence, it does not adjust any of the transaction prices for the time value of money.

Revenue in excess of invoicing are classified as contract asset while invoicing in excess of revenues are classified as contract liabilities.

The specific recognition criteria described below must also be met before revenue is recognised

A. Sale of goods

Revenue from sale of products and services are recognised at a time on which the performance obligation is satisfied.

B. Interest and dividend:

Interest income including income arising on other instruments recognised on time proportion basis taking into account the amount outstanding and the rate applicable.

Revenue is recognised when the Company's right to receive the payment is established, which is generally when shareholders approve the dividend.

C. Others:

Other revenues / incomes and costs / expenditure are accounted on accrual, as they are earned or incurred.

II. Property plant and equipment, investment property and depreciation / ammortisation

A. Tangible fixed assets are stated at cost of acquisition or construction including attributable interest and finance cost, if any till the date of acquisition/installation of the assets, less accumulated depreciation/amortisation and accumulated impairment losses, if any.

B. Subsequent expenditure relating to Property, Plant and Equipment is capitalised only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance costs are charged to the Statement of Profit and Loss as incurred. The cost and related accumulated depreciation are eliminated from the financial statements, either on disposal or when retired from active use and the resultant gain or loss are recognised in the Statement of Profit and Loss.

C. Depreciation is provided based on useful life of the assets as prescribed in Schedule II to the Companies Act, 2013. Depreciation on additions to assets or on sale/disposal of assets is calculated on pro-rata basis.

Asset Category	Estimated useful life (in Years)
Plant and Machinery	15
Computer servers and network systems	6
Computer desktops and laptops	3
Office Equipments	5

Vehicles	8
Furniture and Fixture	10
Factory Equipment	5
Factory Building	30

The residual values, useful lives and methods of depreciation of property plant equipment are reviewed at each financial year and adjusted prospectively, if appropriate.

III. Intangible assets and amortisation

Acquired computer softwares are classified as intangible assets and are stated at cost less accumulated amortisation. These are being amortised over the estimated useful life of five years, as determined by the management.

IV. Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

A. Financial Assets

i. Initial recognition

Financial assets are initial measured at amortised cost if these financial assets are held within a business model with an objective to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Impairment gains or losses arising on these assets are recognised in the Statement of Profit and Loss.

ii. Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in following categories:

a) Financial Assets at Amortised Cost

A financial asset is subsequently measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

b) Financial Assets Measured at Fair Value

Financial assets are measured at fair value through OCI if these financial assets are held within a business model with an objective to hold these assets in order to collect contractual cash flows or to sell these financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in the Statement of Profit and Loss. Further, in cases where the Company has made an irrevocable election based on its business model, for its investments which are classified as equity instruments, the subsequent changes in fair value are recognized in other comprehensive income.

Financial asset not measured at amortised cost or at fair value through OCI is carried at FVTPL.

iii. De-recognition of Financial Assets:

The Company de-recognises a financial asset only when the contractual rights to the cash flows from the asset expire, or it transfers the financial asset and substantially all risks and rewards of ownership of the asset to another entity. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognizes its retained interest in the assets and an associated liability for amounts it may have to pay.

If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

B. Financial Liabilities

Financial liabilities issued by the Company are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability.

i Financial Liabilities

1. Initial Recognition

Financial liabilities are classified, at initial recognition, as financial liabilities at FVPL, loans and borrowings and payables as appropriate. All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

2. Subsequent Measurement

The measurement of financial liabilities depends on their classification, as described below:

- Financial liabilities at FVTPL

Financial liabilities at FVTPL include financial liabilities held for trading and financial liabilities designated upon initial recognition as at FVTPL. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. Gains or losses on liabilities held for trading are recognised in the Statement of Profit and Loss.

- Financial liabilities at amortised cost

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Any difference between the proceeds (net of transaction costs) and the settlement or redemption of borrowings is recognised over the term of the borrowings in the Statement of Profit and Loss. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the Statement of Profit and Loss.

3. De-recognition of Financial Liabilities

Financial liabilities are de-recognised when the obligation specified in the contract is discharged, cancelled or expired. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as de-recognition of the original liability and recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit and Loss.

C. Offsetting Financial Instruments

Financial assets and financial liabilities are offset and the net amount is reported in the Balance Sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis to realise the assets and settle the liabilities simultaneously.

V. Derecognition of financial instruments

The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expires or it transfers the finacial asset and the transfer qualifies for derecognition under IndAS 109. A financial liability (or a part of a financial liability) is derecognized from the Company's Balance Sheet when the obligation specified in the contract is discharged or cancelled or expires.

VI. Impairment

a. Financial assets

The Company recognizes loss allowances using the expected credit loss (ECL) model for the financial assets which are not fair valued through profit or loss. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to life time ECL. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL.The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognised is recognized as an impairment gain or loss in the statement of profit or loss.

b. Non-financial assets

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

Impairment losses, including impairment on inventories, are recognised in the statement of profit and loss.

i. Intangible assets and property, plant and equipment

Intangible assets and property, plant and equipment are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the CGU to which the asset belongs.

ii. Provisions

A provision is recognized if, as a result of a past event, the Company has a present legal or constructive obligation that is reasonably estimable, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

VII. Taxation

i. Current Tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the financial statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's current tax is calculated using rates that have been enacted or substantively enacted by the end of the reporting period.

In case the Company is liable to pay income tax u/s 115JB of Income Tax Act, 1961 (i.e. MAT), the amount of tax paid in excess of normal income tax is recognized as an asset (MAT Credit entitlement) only if there is convincing evidence for realization of such asset during the specified period. MAT credit entitlement is reviewed at each Balance Sheet date.

ii. Deferred Tax

Deferred tax is recognized on temporary diferences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are generally recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized.

The carrying amount of deferred tax asset is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

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

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

iii. Current and deferred tax for the year

Current and deferred tax are recognized in profit or loss, except when they relate to items that are recognized in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognized in other comprehensive income or directly in equity respectively.

VIII. Inventories

All inventories are stated at lower of 'Cost or Net Realizable Value'.

The raw material & Stores & Spares are valued at cost. The cost includes duties & taxes other than credits availed under modvat and is arrived at on First in First out basis

IX. Trade and other payables

These amounts represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after reporting period. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

X. Trade receivable

A receivable is classified as a 'trade receivable' if it is in respect of the amount due on account of goods sold or services rendered in the normal course of business. Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the EIR method, less provision for impairment.

XI. Employee benefits

a) Defined Contribution Plan

Contributions to defined contribution schemes such as provident fund, labour welfare fund are charged as an expense based on the amount of contribution required to be made as and when services are rendered by the employees. Company's provident fund contribution is made to a government administered fund and charged as an expense to the Statement of Profit and Loss. The above benefits are classified as Defined Contribution Schemes as the Company has no further obligations beyond the monthly contributions.

b) Defined Benefit Plan

The Company provides for gratuity which is a defined benefit plans the liabilities of which is determined based on valuations, as at the balance sheet date, made by an independent actuary using the projected unit credit method. Re-measurement, comprising of actuarial gains and losses, in respect of gratuity are recognised in the OCI, in the period in which they occur. Re-measurement recognised in OCI are not reclassified to the Statement of Profit and Loss in subsequent periods.

The classification of the Company's obligation into current and non-current is as per the actuarial valuation report.

c) Leave Entitlement

The company has a scheme for leave encashment for employees. The liability for which is determined on estimation basis as per rules of the company.

XII. Borrowings and Borrowing costs

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in the Statement of Profit or Loss when the liabilities are de-recognised as well as through the EIR amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the Statement of Profit and Loss.

Interests and other borrowing costs included under finance costs calculated as per effective interest rate attributable to qualifying assets, which takes substantial period of time to get ready for its intended use are allocated as part of the cost of such assets. Such allocation is suspended during extended periods in which active development is interrupted and, no costs are allocated once all such activities are substantially complete. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation. Other borrowing costs are charged to the Profit and Loss Account.

XIII. Earnings per Share

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the year is adjusted for events of bonus issue, if any.

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

XIV. Cash Flow Statement

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

XV. Cash and Cash Equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

XVI. Provisions, contingent liabilities and contingent assets

A provision is recognized when an enterprise has a present obligation (legal or constructive) as result of past event and it is probable that an outflow of embodying economic benefits of resources will be required to settle a reliably assessable obligation. Provisions are determined based on best estimate required to settle each obligation at each balance sheet date. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Contingent liabilities are disclosed in respect of possible obligations that arise from past events, whose existence would be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company. A contingent liability also arises, in rare cases, where a liability cannot be recognised because it cannot be measured reliably.

Contingent assets are neither recognised nor disclosed in thefinancial statements.

XVI. Leases

SHARDA ISPAT LIMITED, NAGPUR.
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2021

Note 4 - Property, plant and equipment **(Rs. In Lakhs)**

Particulars	Building	Plant and Machinery	Factory Equipment	Office Equipment	Furniture and Fittings	Computers	Servers and Networks	Vehicles	Lease Asset	Total
Cost or deemed cost										
Balance at 31st March, 2019	200.70	1,431.00	1.96	20.90	28.81	6.32	2.23	84.17	-	1,776.09
Additions	-	-	2.81	0.72	0.71	1.19	-	-	152.93	158.35
Disposals	-	-	-	-	-	-	-	-	-	-
Balance at 31st March, 2020	**200.70**	**1,431.00**	**4.77**	**21.62**	**29.52**	**7.51**	**2.23**	**84.17**	**152.93**	**1,934.44**
Accumulated depreciation and impairment										
Balance at 31st March, 2019	150.89	1,326.64	1.62	13.05	9.81	4.83	1.45	43.23	-	1,551.52
Eliminated on disposal of assets	-	-	-	-	-	-	-	-	-	-
Depreciation expense for the Year	5.80	5.41	0.55	2.95	2.87	0.83	0.35	10.23	50.71	79.70
Balance at 31st March, 2020	**156.70**	**1,332.05**	**2.17**	**15.99**	**12.67**	**5.66**	**1.81**	**53.46**	**50.71**	**1,631.22**
Carrying amount as at 31st March, 2020	**44.01**	**98.95**	**2.59**	**5.62**	**16.84**	**1.86**	**0.43**	**30.71**	**102.22**	**303.22**

Particulars	Building	Plant and Machinery	Factory Equipment	Office Equipment	Furniture and Fittings	Computers	Servers and Networks	Vehicles	Lease Asset	Total
Cost or deemed cost										
Balance at 31st March, 2020	200.70	1,431.00	4.77	21.62	29.52	7.51	2.23	84.17	152.93	1,934.44
Additions	-	3.30	0.12	1.56	0.20	0.70	-	-	-	5.87
Disposals	-	-	-	-	-	-	-	-	-	-
Balance at 31st March, 2021	**200.70**	**1,434.30**	**4.88**	**23.18**	**29.72**	**8.21**	**2.23**	**84.17**	**152.93**	**1,940.31**
Accumulated depreciation and impairment										
Balance at 31st March, 2020	156.70	1,332.05	2.17	15.99	12.67	5.66	1.81	53.46	50.71	1,631.22
Eliminated on disposal of assets	-	-	-	-	-	-	-	-	-	-
Depreciation expense for the Year	5.80	4.47	0.55	1.79	2.90	0.83	0.30	8.07	50.98	75.69
Balance at 31st March, 2021	**162.49**	**1,336.53**	**2.72**	**17.78**	**15.57**	**6.49**	**2.10**	**61.53**	**101.69**	**1,706.91**
Carrying amount as at 31st March, 2021	**38.21**	**97.77**	**2.16**	**5.40**	**14.14**	**1.72**	**0.13**	**22.63**	**51.24**	**233.40**

SHARDA ISPAT LIMITED, NAGPUR.
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2021

Note 5 - Intangible assets

Particulars	Software
Cost or deemed cost	
Balance at 31st March, 2019	3.88
Additions	-
Disposals	-
Balance at 31st March, 2020	**3.88**
Accumulated depreciation and impairment	
Balance at 31st March, 2019	2.33
Eliminated on disposal of assets	
Depreciation expense	0.36
Balance at 31st March, 2020	**2.69**
Carrying amount as at 31st March, 2020	**1.19**

Particulars	Software
Cost or deemed cost	
Balance at 31st March, 2020	3.88
Additions	-
Disposals	-
Balance at 31st March, 2021	**3.88**
Accumulated depreciation and impairment	
Balance at 31st March, 2020	2.69
Eliminated on disposal of assets	
Depreciation expense	0.36
Balance at 31st March, 2021	**3.05**
Carrying amount as at 31st March, 2021	**0.83**

SHARDA ISPAT LIMITED, NAGPUR
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2021

(Rs. In Lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Note 6 - Investment		
Non Current		
Investment in equity instruments (Unquoted) (Refer Footnote a)		
65,252 (P.Y. 65,252) Equity Shares of Nagpur Nagrik Sahkari Bank	32.63	32.63
Investment in Mutuals Fund (Quoted)		
(at Fair value through Other Comprehensive Income)		
49,639.065 (P.Y. Nil) HDFC Hybuild Equity Fund Direct Plan Growth Option	35.26	-
197,639.809 (P.Y. Nil) ICICI Prudential Equity & Debt Fund Direct Plan Growth	363.20	-
13,23,886.406 (P.Y. Nil) TATA India Consumer Fund Direct Plan Growth	312.46	-
Total	**743.55**	**32.63**
Footnote a:		
Aggregate amount of quoted investments	710.91	-
Aggregate amount of unquoted investments	32.63	32.63
Aggregate provision for diminution in value of investment	-	-
Note 7 - Other financial assets		
Non current		
Deposits with maturity more than twelve months	25.79	29.38
Security deposits	28.74	29.98
Total	**54.53**	**59.36**
Current		
Interest Receivable	6.74	4.30
Other Debit balances	0.04	0.01
Total	**6.78**	**4.31**
Note 8 - Other non- current assets		
Advance Rentals	0.30	0.56
Total	**0.30**	**0.56**
Note 9 - Inventories		
Inventories (lower of cost or net realisable value)		
Raw Material	570.62	79.51
Stock-in-Trade	-	23.51
Finished Goods	96.99	385.85
Stores and Spares	33.65	71.57
Total	**701.26**	**560.44**
Note 10 - Trade receivables		
Unsecured but considered good	1,224.71	907.96
Trade Receivables which have significant increase in Credit Risk	-	-
Trade Receivables - credit impaired	-	-
Less: Impairment loss allowance	-	-
Total	**1,224.71**	**907.96**
Note 11 - Cash and cash equivalents		
Balances with banks:		
- in current accounts	0.46	1.16
- in deposit with maturity of less than three months		-
Cash on hand	0.26	0.00
Total	**0.72**	**1.16**
Note 12 - Bank balances other than cash and cash equivalents		
Other Bank Balances:		
Deposits with maturity of more than three months but less than twelve months	22.91	19.32
Total	**22.91**	**19.32**
Note 13 - Loans		
Current		
Loans to related parties	606.81	961.52
Loans to employees	0.58	0.37
Total	**607.39**	**961.89**
Note 14 - Current tax assets (Net)		
Provision for Tax	-	(123.86)
Less: Advance Income Tax paid	-	148.27
Total	**-**	**24.41**

Income Tax expenses		(Rs. In Lakhs)
Current Tax		
Tax for the year	111.30	123.86
Tax in respect of earlier years	4.25	2.72
Total Current Tax Expenses	**115.55**	**126.58**
Deferred Tax Expenses / (Income)	(2.05)	(5.03)
Income Tax expense	**113.50**	**121.55**
Reconciliation of tax expense and the accounting profit multiplied by the Company's tax rate		
Profit for the Year	458.54	480.70
Applicable Rate of Tax		
Income tax expense calculated at 25.168% (P.Y. @24.48%)	115.41	117.68
Effect of expenses that are not deductible in determining taxable profit	25.42	27.41
Effect of expenses / Income that are deductible in determining taxable profit due to timing diffrence / other head of income	(46.12)	(21.23)
Capital gains (Differential tax rate)	15.90	-
Effect on deferred tax due to timing difference	(2.05)	(5.03)
Adjustments for current tax of prior periods	4.25	2.72
Others	0.69	-
	113.50	**121.55**

Note 15 - Other current assets		
Advance for Purchases	185.31	194.31
Prepaid Expenses	1.50	0.50
Balance with Statutory Authorities	230.23	217.11
Others	0.25	0.37
Total	**417.29**	**412.29**

SHARDA ISPAT LIMITED, NAGPUR

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021

Note 16 - Equity share capital **(Rs. In Lakhs)**

Particulars	As at 31st March, 2021	As at 31st March, 2020
Authorised Share Capital		
51,00,000 (As at 31st March, 2020: 51,00,000) Ordinary Equity Shares of Rs.10 each	510.00	510.00
Total	**510.00**	**510.00**
Issued and subscribed capital comprises:		
Ordinary Equity Shares		
50,76,800 (As at 31st March, 2020: 50,76,800) Equity Shares of Rs.10/- each fully paid up	507.68	507.68
Total	**507.68**	**507.68**

a) Reconciliation of Number of shares outstanding at the beginning and at the end of the year

Particulars	Number of shares	Share Capital (Rs)
Ordinary Equity Shares		
Balance at 1st April, 2019	507.68	507.68
Add / (Less) : Issued / (Bought back) during the year	-	-
Balance at 31st March, 2020	507.68	507.68
Add / (Less) : Issued / (Bought back) during the year	-	-
Balance at 31st March, 2021	**507.68**	**507.68**

b) Terms / rights attached to Equity Shares:

i. The company has only one class of equity shares having a par value of Rs.10/- per share. Each shareholder is entitled to one vote per share held. In the event of liquidation of the company, the equity shareholders are eligible to receive the remaining assets of the company, in proportion to their shareholding.

c) Details of shares held by each shareholders holding more than 5% shares

Equity Share Capital

Particulars	As at 31st March, 2021		As at 31st March, 2020	
	No of shares held	% holding of this class of shares	No of shares held	% holding of this class of shares
Ordinary Equity Shares				
Kyoto Merchandise Private Limited	4,00,000	7.88%	4,00,000	7.88%
Sulakshana Trade Holdings Limited	2,85,660	5.63%	2,85,660	5.63%
Anand Nandkishore Sarda	5,84,000	11.50%	5,84,000	11.50%
Ashadevi Sarda	5,49,340	10.82%	3,10,320	6.11%
Asha Agriculture & Properties Pvt. Ltd.	5,26,500	10.37%	5,26,500	10.37%
Nandkishore Sarda	3,23,100	6.36%	3,23,100	6.36%

SHARDA ISPAT LIMITED, NAGPUR
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021

(Rs. In Lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Note 17 - Other equity		
Capital Reserve	25.00	25.00
General reserve	273.79	273.79
Retained Earning	1,957.48	1,452.59
Total	**2,256.27**	**1,751.38**
Capital Reserve		
Balance at the beginning of the year	25.00	25.00
Add / (Less) :	-	-
Balance at the end of the year	**25.00**	**25.00**
Securities Premium		
Balance at the beginning of the year	273.79	273.79
Add / (Less) :		
Amount transferred from Debenture redemption reserve	-	-
Balance at the end of the year	**273.79**	**273.79**
Retained Earnings		
Balance at the beginning of the year	1,452.59	1,088.24
Profit attributable to the owners of the company	345.04	359.15
Other comprehensive income for the year	159.85	5.20
Balance at the end of the year	**1,957.48**	**1,452.59**

		(Rs. In Lakhs)
Note 18 - Borrowings		
Non-current		
(ii) Term Loans - Secured		
- From banks (Refer footnote a)	4.24	8.48
	4.24	**8.48**
Less: Transferred to Current Maturities of Long Term Loan from Banks	(4.24)	(5.18)
Total	**-**	**3.30**
Current		
(i) Secured (Refer Footnote b)		
From Banks		
Nagpur Nagrik Sahakari Bank Ltd. (CC A/c)	780.61	556.56
(ii) Unsecured (Refer Footnote c)		
Loans repayable on demand:		
From Related Party	-	-
Corporate Loans and advances	3.84	40.62
Total	**784.45**	**597.18**

Footnotes:

a. Term Loan is repayable in 60 monthly installments against hypothecation of Vehicle with finance rate @ 9.60% p.a.
Working capital loan from Bank is Secured against hypothecation of stocks and book debts and Plant and Machineries carrying interest rate @ 10.50% p.a.

b. All facilities including working capital loan, bills discounting limit backed by Letters of credit and Bank Guarantee limit are further secured by way of Notorized Equitable Mortgage of house property of one director as Collateral security.
All facilities are secured by personal guarantees of two directors.

c. Unsecured loan carry interest rate @11% p.a.

Note 19 - Other Financial Liabilities		
Non-current		
Lease Liability	0.33	47.43
Total	**0.33**	**47.43**
Current		
Lease Liability	57.85	61.40
Current maturities of long-term debts	4.24	5.18
Other payables	-	0.65
Total	**62.09**	**67.23**
Note 20 - Provisions		
Non-current		
Employee Benefits		
Provision for Gratuity	28.83	29.48
Provision for leave benefit	2.85	3.51
Total	**31.68**	**32.99**
Current		
Employee Benefits		
Provision for Gratuity	20.44	21.67
Provision for leave benefit	2.59	3.06
Total	**23.03**	**24.73**

		(Rs. In Lakhs)
Note 21 - Deferred Tax Liabilities (Net)		
The following is the analysis of deferred tax asset / (liabilities) presented in the balance sheet		
Deferred Tax Asset	-	-
Deferred Tax Liability	28.25	10.87
Total	**28.25**	**10.87**

Particulars	Opening Balance	(Credit) / Charge in statement of Profit and Loss	Closing Balance
For 2020-21			
Deferred tax assets / (liabilities) in relation to:			
On account of Allowances under Income Tax Act	(1.41)	0.21	(1.62)
On account of Employee Benefits	14.13	(0.54)	14.67
Property, plant and equipment	(23.59)	(1.71)	(21.87)
Fair Valuation of Investment	-	19.43	(19.43)
Total	**(10.87)**	**17.38**	**(28.25)**
For 2019-20			
Deferred tax assets / (liabilities) in relation to:			
On account of Allowances under Income Tax Act	(15.90)	(14.49)	(1.41)
On account of Employee Benefits	-	(14.13)	14.13
Property, plant and equipment	-	23.59	(23.59)
Total	**(15.90)**	**(5.03)**	**(10.87)**

Note: Pursuent to notification of Taxation Laws (Amendement) Ordinance 2019, the company has opted to pay tax as per section 115BAA at the income rate of 22 percent (Plus applicable surchage and cess). Consequently, during the year ended March 31, 2020, the company has recognisd the impact of remeasurement of net deferred tax assets / liabilities and the current tax charge.

Note 22 - Trade payables		
MSME (Refer Footnote)	67.09	29.84
Other than Acceptances	144.37	118.34
Total	**211.46**	**148.18**

Footnote:

Trade payables are non interest bearing and normally settled on 30 to 90 days

Dues to Micro & Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management. This has been relied upon by the auditor. Moreover the Company is in the process of updating its suppliers data, as to the status as a Micro Small & Medium Enterprise with a copy of the Memorandum filed as per the provisions of Section 8 of the Micro Small & Medium Enterprises Development Act, 2006.

a)	The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year :		
	Principal	67.09	29.84
	Interest	-	-
b)	Interest paid by the buyer alognwith amount of payment made to the suppliers beyond the appointed day during the year.	-	-
c)	Interest due and payable towards payments already made	-	-
d)	The amount of interest accrued and remaining unpaid at the end of each accounting year, and	-	-
e)	Further interest remaining due and payable in succeding years, until such interest is actually paid	-	-

Note 23 - Other current liabilities		
Advance from customers	15.94	13.23
Other payables	61.89	84.55
Total	**77.83**	**97.78**
Note 24 - Current tax Liabilities (Net)		
Provision for Tax	111.30	-
Less: Advance Tax	80.70	-
Total	**30.60**	**-**

(Rs. In Lakhs)

Particulars	For the Year ending 31st March, 2021	For the Year ending 31st March, 2020
Note 25 - Revenue from Operations		
Sale of Goods	9,527.81	9,286.87
Sale of Services	-	4.34
Total	**9,527.81**	**9,291.21**
	31st March, 2021	**31st March, 2020**
Particulars		
Revenue from customers	9,527.81	9,291.21
Other operating revenue	-	-
Total revenue from operations	**9,527.81**	**9,291.21**
India	9,527.81	9,291.21
Outside India	-	-
Total revenue from operations	**9,527.81**	**9,291.21**
Timing of revenue recognition		
At a point in time	9,527.81	9,291.21
Total revenue from operations	**9,527.81**	**9,291.21**
Contract Balances		
Particulars		
Trade Receivables (Gross) (refer note 10)	1,224.71	907.96
Contract liabilities		
Advance from customers (refer note 23)	15.94	13.23

The credit period on sales of goods ranges from 90 days with or without security.
As at 31 March 2021, Rs.Nil (As at 31 March 2020 Rs. Nil) was recognised as provision for allowance for doubtful debts on trade receivables.

Amount of revenue recognized from amounts included in the contract liabilities for Rs.13.23 Lakhs during the FY 2020-21 (During the year 2019-20 Rs.9.82 Lakhs)

Out of the total contract liabilities outstanding as on 31 March 2020, Rs.15.93 Lakhs will be recognized by 31 March, 2022.

Note 26 - Other Income		
Dividend Received	-	1.95
Profit on redemption of Mutual Fund	105.99	-
Other Income	1.93	0.01
Interest Received	37.31	82.10
Total	**145.23**	**84.06**
Note 27 - Costs of Material Consumed		
Opening Stock of Raw Material	79.51	292.26
Purchases including Expenses	7,954.39	7,180.98
	8,033.90	**7,473.24**
Less : Sales of Raw Material	-	-
Less: Closing Stock of Raw Material	(570.62)	(79.51)
Total	**7,463.28**	**7,393.73**
Note 28 - Purchases of Stock-in-Trade		
Purchases of Stock	59.03	28.43
Total	**59.03**	**28.43**

Note 29 - Changes in Inventories of Stock-in-Trade & Finished Goods		
Opening Stock of Finished Goods	409.36	320.84
Less : Closing Stock of Finished Goods	(96.99)	(409.36)
Total	**312.37**	**(88.52)**
Note 30 - Employee Benefits Expense		
Salaries, bonus, etc	214.56	223.23
Contribution to provident and other funds	7.71	8.91
Staff welfare expenses	3.45	9.62
Total	**225.72**	**241.76**
Note 31 - Finance Costs		
Interest Expense	78.98	88.20
Total	**78.98**	**88.20**
Note 32 - Depreciation and Amortisation Expenses		
Depreciation on property, plant and equipment	75.69	79.70
Depreciation on Intangible Asset	0.36	0.36
Total	**76.05**	**80.06**
Note 33 - Other Expenses		
Consumption of Stores & Spare Parts	85.40	85.81
Power & Fuel	313.49	347.72
Repairs & Maintenance to		
Plant & Machinery	5.70	5.32
Building	4.05	21.11
Others	2.51	9.75
Finished Goods Expenses	4.90	5.77
Rent Paid	0.48	0.72
Bank Charges & Interest on LC Disc.	4.12	0.25
FG Outward Transportation Charges	254.14	209.10
Cash Discount	167.73	168.39
Factory Operating Expenses	22.34	25.89
Keyman Insurance	-	20.00
Professional charges	40.82	33.26
Contractors Payments	62.38	79.58
Director Sitting Fees	0.24	0.22
Other Miscellaneous Expenses	28.26	136.28
Payment to Auditors		
Audit Fees	1.00	1.00
Tax Audit Fees	0.75	
Certification Work	0.75	0.75
Total	**999.06**	**1,150.92**

Footnote:

Corporate Social Responsibility

Gross Amount required to be spent during the year is Rs.13.53 Lakhs (P.Y. Rs12.44 Lakhs), the amount spent during the year on purpose other than construction/acquisition of assets is Rs.13.57 Lakhs (P.Y. Rs.6.51 Lakhs).

Note 34 - Earnings Per Share (EPS)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Basic Earning Per Share	6.80	7.07
Diuted Earnings Per Share	6.80	7.07
34.1 Basic EPS		
The earnings and weighted average number of equity shares used in the calculation of basic earnings per share are as follows Profit for the year attributable to the owners of the Company. (Rs. In Lakhs)	345.04	359.15
Earnings used in the calculation of basic earnings per share	345.04	359.15
Weighted average number of equity shares for the purposes of basic earnings per share (Nos. in Lakhs)	50.77	50.77
Basic EPS	6.80	7.07
34.2 Diluted EPS		
The earnings and weighted average number of equity shares used in the calculation of basic earnings per share are as follows:		
Earnings used in Calculation of Basic Earnings per Share (Rs. In Lakhs)	345.04	359.15
Earnings Used in calculation of Diluted earnings per share (Rs. In Lakhs)	345.04	359.15
Diluted EPS	6.80	7.07

(Rs. In Lakhs)

	Year ended 31st March, 2021	Year ended 31st March, 2020
Note 35(1) - Post Retirement Benefit Plans		
The Prinicipal assumptions used for the purpose of the acturial valuations were as follows,		
Gratuity:		
Discount Rate	5.59%	5.59%
Expected rate of salary increase	6.00%	6.00%
Expected average remaining service	4.03	3.83
Service cost		
Current service cost	3.81	3.63
Past service cost and (gain)/loss from settlement	-	-
Net interest expense	2.25	2.52
Component of define benefit cost recognised in profit or loss	**6.06**	**6.15**
Acturial (gains) / losses for the period	(7.94)	(0.55)
Component of defined benefit cost recognised in other comprehensive income	**(7.94)**	**(0.55)**
Total	**(1.88)**	**5.60**
Amount to be recognized in the balance sheet and statement of profit & loss account		
Present value of funded defined benefit obligation	49.27	51.15
Fair value of plan assets	-	-
Funded status	**(49.27)**	**(51.15)**
Movement in PV of defined benefit obligation		
Opening define benefit obligation	51.15	45.55
Current service cost	3.81	3.63
Interest cost	2.25	2.52
Remesaurement (gains) / (losses):		
Actuarial (gains) and losses arising from changes in financial assumption	-	1.73
Actuarial (gains) and losses arising from changes in experience adjustment	(7.94)	(2.28)
Benefits paid	-	-
Closing define benefit obligation	**49.27**	**51.15**
Movements in fair value of plan asstes		
Opening fair value of plan assets	-	-
Closing fair value of plan assets	**-**	**-**
Asset Information:		**Total Amount**
Gratuity Fund	-	-
Expected Payout:	**PVO Payout**	**PVO Payout**
Expected Outgo First Year	20.44	21.67
Expected Outgo Second Year	8.64	3.99
Expected Outgo Third Year	3.75	7.85
Expected Outgo Fourth Year	4.95	3.56
Expected Outgo Fifth Year	2.79	4.59
Expected Outgo Sixth to Tenth Years	11.08	12.43

(Rs. In Lakhs)

	Year ended 31st March, 2021	Year ended 31st March, 2020

Sensitivity Analysis:

As of 31st March, 2021, every percentage point increase in discount rate will affect our gratuity benefit obligation Rs.48.04 Lakhs
As of 31st March, 2021, every percentage point decrease in discount rate will affect our gratuity benefit obligation Rs.50.60 Lakhs
As of 31st March, 2021, every percentage point increase in salary escalation rate will affect our gratuity benefit obligation Rs.50.52 Lakhs
As of 31st March, 2021, every percentage point decrease in salary escalation rate will affect our gratuity benefit obligation Rs.48.10 Lakhs

Sensitivity for significant actuarial assumptions is computed by varying one actuarial assumption used for the valuation of the defined benefit obligation by one percentage, keeping all other actuarial assumptions constant.

Projected service cost as on 31st March, 2022 is Rs. 3.69 Lakhs.

Narrations:

1 **Analysis of Defined Benefit Obligation**
The number of members under the scheme have decreased by 5.13%. The total salary has decreased by 2.31% during the accounting period. The resultant liability at the end of the period over the beginning of the period has decreased by 3.68%.

2 **Expected rate of return basis:**
Scheme is not funded EORA is not applicable.

3 **Description of Plan Assets and Reimbursement Conditions**
Not applicable

4 **Investment / Interest Risk**
Since the scheme is unfunded the Company is not exposed to Investment / Interest risk.

5 **Longevity Risk**
The Company is not exposed to risk of the employees living longer as the benefit under the scheme ceases on the employee separating from the employer for any reason.

6 **Salary Escalation Rate**
The salary escalation rate has remain unchanged and hence there is no change in liability resulting in no actuarial gain or loss due to change in salary escalation rate.

7 **Discount Rate**
The discount rate has remain unchanged and hence there is no change in liability resulting in no acturial gain or loss due to change in discount rate.

(Rs. In Lakhs)

	Year ended 31st March, 2021	Year ended 31st March, 2020
Note 35(2) - Post Retirement Benefit Plans		
The Prinicipal assumptions used for the purpose of the acturial valuations were as follows,		
Compensation Absence:		
Discount Rate	5.59%	5.59%
Expected rate of salary increase	6.00%	6.00%
Expected average remaining service	4.03	3.83
Service cost		
Current service cost	0.10	5.61
Past service cost and (gain)/loss from settlement	-	-
Net interest expense	0.28	0.30
Component of define benefit cost recognised in profit or loss	**0.38**	**5.91**
Acturial (gains) / losses for the period	(1.51)	(4.87)
Component of defined benefit cost recognised in other comprehensive income	**(1.51)**	**(4.87)**
Total	**(1.13)**	**1.04**
Amount to be recognized in the balance sheet and statement of profit & loss account		
Present value of funded defined benefit obligation	5.44	6.57
Fair value of plan assets	-	-
Funded status	**(5.44)**	**(6.57)**
Movement in PV of defined benefit obligation		
Opening define benefit obligation	6.57	5.31
Current service cost	0.10	5.61
Interest cost	0.28	0.30
Remesaurement (gains) / (losses):		
Actuarial (gains) and losses arising from changes in financial assumption	-	0.22
Actuarial (gains) and losses arising from changes in experience adjustment	(1.51)	(4.87)
Past service cost, including losses / (gains) on curtailments	-	-
Liabilities extinguished on settlements	-	-
Liabilities assumed in a business combination	-	-
Exchange difference on foreign plan	-	-
Benefits paid	-	-
others (describe)	-	-
Closing define benefit obligation	**5.44**	**6.57**
Movements in fair value of plan asstes		
Opening fair value of plan assets	-	-
Closing fair value of plan assets	**-**	**-**
Asset Information:	**Total Amount**	**Target Allocation %**
Fund	-	-
Expected Payout:	**PVO Payout**	**PVO Payout**
Expected Outgo First Year	2.59	3.06
Expected Outgo Second Year	0.90	0.47
Expected Outgo Third Year	0.30	1.04
Expected Outgo Fourth Year	0.46	0.33
Expected Outgo Fifth Year	0.29	0.57
Expected Outgo Sixth to Tenth Years	1.02	1.38

(Rs. In Lakhs)

	Year ended 31st March, 2021	Year ended 31st March, 2020

Sensitivity Analysis:

As of 31st March, 2021, every percentage point increase in discount rate will affect our leave benefit obligation Rs.5.30 Lakhs
As of 31st March, 2021, every percentage point decrease in discount rate will affect our leave benefit obligation Rs.5.60 Lakhs

As of 31st March, 2021, every percentage point increase in salary escalation rate will affect our leave benefit obligation Rs.5.58 Lakhs
As of 31st March, 2021, every percentage point decrease in salary escalation rate will affect our leave benefit obligation Rs.5.31 Lakhs

Sensitivity for significant actuarial assumptions is computed by varying one actuarial assumption used for the valuation of the defined benefit obligation by one percentage, keeping all other actuarial assumptions constant.

Projected service cost as on 31st March, 2022 is Rs.6.84 Lakhs

Narrations:

1 **Analysis of Defined Benefit Obligation**
The resultant liability at the end of the period over the beginning of the period has decreased by 17.14%
The number of members under the scheme have decreased by 5.13%.
The total salary has decreased by 6.18% during the accounting period.

2 **Expected rate of return basis:**
Scheme is not funded EORA is not applicable.

3 **Description of Plan Assets and Reimbursement Conditions**
Not applicable

4 **Investment / Interest Risk**
Since the scheme is unfunded the Company is not exposed to Investment / Interest risk.

5 **Longevity Risk**
The Company is not exposed to risk of the employees living longer as the benefit under the scheme ceases on the employee separating from the employer for any reason.

6 **Salary Escalation Rate**
The salary escalation rate has remain unchanged and hence, there is no change in liability resulting in no actuarial gain or loss due to change in salary escalation rate.

7 **Discount Rate**
The discount rate has decreased from 6.85% to 5.59% and hence there is an increase in liability leading to actuarial loss due to change in discount rate.

Note 36- Contigent Liability. **(Rs. In Lakhs)**

	Particulars	31st March, 2021	31st March, 2020
a)	Central Excise Duty Matter	19.64	39.84
b)	Income Tax Matter	1.53	1.53
c)	Sales tax matter	-	78.72

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2021

Note 37- Related Parties Disclosures

A. Key Management Personnel

1 Shri Nandkishore Sarda
2 Smt. Poonam Sarda

B. Others (Firms, Company & Proprietorship Concern in which directors and their relatives have significant influence)

1 Asha Agriculture & Properties Pvt. Ltd
2 Navdeep Agriculture & Properties P Ltd
3 Kyoto Merchandise Pvt Ltd
4 Sharda Dharamkata
5 Sharda Ispat Industries Ltd.
6 Shardashree Ispat Ltd
7 Sharda Auto Industries Ltd
8 In Link Capital Services Pvt Ltd
9 Indigo Denim Pvt Ltd

C Relatives of key Managerial Personnel

1 Smt. Ashadevi Sarda
2 Shri Anand Sarda

(Rs. In Lakhs)

	Particulars	Key Management Personnel	Relatives of key Managerial Personnel	Others (Firms, Company & Proprietorship Concern in which directors and their relatives have significant influence)
1	**Directors Remuneration**			
	Nandkishore Sarda	36.00	-	-
		(36.00)	(-)	(-)
	Poonam Sarda	30.00	-	-
		(30.00)	(-)	(-)
2	**Rent Paid**			
	Ashadevi Sarda		0.24	-
			(0.24)	(-)
	Sharda Ispat Industries Ltd.	-	-	57.60
		(-)	(-)	(57.60)
3	**Receiving of Services**			
	Anand Sarda	-	8.40	-
		(-)	(8.40)	(-)
4	**Sales of Material / Services**			
	Shardashree Ispat Ltd	-	-	43.38
		(-)	(-)	(34.05)
	Sharda Auto Industries Ltd	-	-	1,410.56
		(-)	(-)	(1,178.35)
	Indigo Denim Pvt Ltd	-	-	-
		(-)	(-)	(28.18)
5	**Receiving of Services**			
	Sharda Dharamkata	-	-	1.80
		(-)	(-)	(1.80)
6	**Interest Paid**			
	NK Sarda	-	-	-
		(0.04)	(-)	(-)
	In Link Capital Services Pvt Ltd	-	-	-
		(-)	(-)	(0.05)
7	**Interest Received**			
	Kyoto Merchandise Pvt Ltd	-	-	31.93
		(-)	(-)	(76.17)
8	**Purchases of Goods**			
	Shardashree Ispat Ltd	-	-	5.95
		(-)	(-)	(0.42)
	Indigo Denim Pvt Ltd	-	-	0.05
		(-)	(-)	(0.31)
9	**Unsecured Loan Repaid**			
	N K sarda	0.04	-	-
		(0.48)	(-)	(-)
	Navdeep Agriculture & Properties P Ltd	-	-	-
		(-)	(-)	-
	In Link Capital Services Pvt Ltd	-	-	0.04
		(-)	(-)	(1.28)
10	**Unsecured Loan Granted**			
	Kyoto Merchandise Pvt Ltd	-	-	898.75
		(-)	(-)	(955.50)
11	**Unsecured Loan Refunded**			
	Kyoto Merchandise Pvt Ltd	-	-	1,285.39
		(-)	(-)	(780.82)

(Rs. In Lakhs)

	Particulars		
A)	**Others (Firms, Company & Proprietorship Concern in which directors and their relatives have significant influence)**	**31st March, 2021**	**31st March, 2020**
1	**Unsecured Loan Receivable**		
	Kyoto Merchandise Pvt Ltd	606.81	961.52
2	**Trade Receivables**		
	Sharda Auto Industries Ltd	494.76	550.16
	Indigo Denim Pvt. Ltd.		28.17
3	**Trade Payables**		
	Sharda Dharamkata	1.77	2.14
	Sharda Ispat Industries Ltd.	6.33	3.68
	Anand Sarda	0.65	-

Note:

1. The Figures in the bracket are related to Previous Year.
2. Related party identified by company and relied upon by auditor.

Note 39 - Financial Risk Management Objectives and Policies

The Company's activities expose it to a variety of financial risks: market risk, credit risk and liquidity risk. The Company's focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance.

1) Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument which fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk. Major financial instruments affected by market risk include loans and borrowingsand investment in equity oriented mutual fund.

a) Interest rate risk

Majority of the long-term borrowings of the Company bear fixed interest rate, thus interest rate risk is limited for the Company.

b) Foreign currency risk

The company imports certain material against Letter of Credit for which hedging instruments are not required.

c) Equity price risk

The Company's equity securities are not majorly susceptible to market price risk. However, the company's board of directors reviews and approves all equity investment decisions after taking due diligence which may affect the market related risk.

2) Credit Risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and financial institutions and other financial instruments.

Trade and other Receivables

The Company measures the expected credit loss of trade receivables based on historical trend, industry practices and the business environment in which the entity operates. Based on the historical data and financial position of party and chances of recovery, provision has been considered and created, wherever necessary.

(Rs. In Lakhs)

Particulars Ageing of Trade receivables	**As at** **31st March, 2021**	**As at** **31st March, 2020**
0-30 days	968.56	407.64
30-60 days	202.03	260.91
60-180 days	51.36	239.41
more than 180 days	2.77	-
Total	**1,224.71**	**907.96**

Exposures to customers outstanding at the end of each reporting period are reviewed by the Company to determine incurred and expected credit losses. Historical trends of impairment of trade receivables do not reflect any significant credit losses. Given that the macro economic indicators affecting customers of the Company have not undergone any substantial change, the Company expects the historical trend of minimal credit losses to continue.

3) Liquidity risk

Liquidity risk is the risk that the company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial assets. The Company's principal source of liquidity are cash and cash equivalents and the cash flow that is generated from operations. the Company believes that cash and cash equivalents is sufficient to meet its current requirements.

Maturity patterns of financial liabilities

As at March 31, 2021 **(Rs. In Lakhs)**

Particulars	**0 - 1 Years**	**1-5 Years**	**Above 5 Years**	**Total**
Long term borrowings	-	-	-	-
Short term borrowings	784.45	-	-	784.45
Trade Payable	211.46	-	-	211.46
Other Financial Liabilities	62.09	0.33	-	62.42
Total	**1,058.01**	**0.33**	**-**	**1,058.33**

As at March 31, 2020

Particulars	**0 - 1 Years**	**1-5 Years**	**Above 5 Years**	**Total**
Long term borrowings	-	3.30	-	3.30
Short term borrowings	597.18	-	-	597.18
Trade Payable	148.18	-	-	148.18
Other Financial Liabilities	67.22	47.43	-	114.65
Total	**812.58**	**50.73**	**-**	**863.31**

Note 40 - IndAS 116 Leases

The Company's lease asset primarily consist of leases for for buildings (premises) for office premises having various lease terms. The Company has adopted Ind AS 116, 'Leases', effective 1st April 2019, using modified retrospective approach, as a result of which comparative information are not required to be restated.

The maturity analysis of lease liabilities are disclosed as follows,

(Rs. In Lakhs)

Particulars	Less than 1 year	1 to 5 years	Total
As at March 2021			
Finance lease (Discounted)	57.85	0.33	58.17
As at March 2020			
Finance lease (Discounted)	61.40	47.43	108.83

The Balance sheet discloses the following amounts relating to leases:

	As at 31st March, 2021	As at 31st March, 2020
Right-of-use assets		
Buildings	51.24	102.22
Lease Liabilities		
Current	57.85	61.40
Non Current	0.33	47.43
Amounts recognised in statement of profit and loss:		
Interest Expense included in Finance Cost	10.74	16.56
Depreciation charged on Right of Use Assets	50.98	50.71
Expense Relating to Short Term Leases/low-value assets	0.48	0.72
Additions to the right of use assets during the current financial year	-	152.93
Total cash outflow for leases during financial year (excluding short term leases)	50.65	60.66

Note 41 - Capital Management

For the purpose of the Company's capital management, capital includes issued equity capital and all other equity reserves attributable to the equity holders of the Company. The primary objective of the company's management is to maximise shareholders value.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may issue new shares. Consistent with others in the industry, the Company monitors its capital using the gearing ratio which is total net debt (borrowings offset by cash and cash equivalents) divided by total capital of the company.

Gearing Ratio

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the borrowings that define the capital structure requirements. Breaches in meeting the financial covenants would permit the lenders to immediately call loans and borrowings.

The gearing ratio at the reporting period was as follows

(Rs. In Lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Borrowings including curent maturities	788.69	605.66
Total Debt	**788.69**	**605.66**
Less: Cash and cash equivalents	0.72	1.16
Net Debt (A)	**787.96**	**604.49**
Equity Share Capital	507.68	507.68
Other Equity	2,256.27	1,751.38
Total Equity (B)	**2,763.95**	**2,259.06**
Debt Equity Ratio (A/B)	**0.29**	**0.27**

Net Debt Reconciliation: **(Rs. In Lakhs)**

Particulars	As at 31st March, 2021	As at 31st March, 2020
Cash and cash equivalents	0.72	1.16
Current borrowings	(788.69)	(602.36)
Interest on above borrowings	-	-
Lease Liability	(58.17)	(108.83)
Net debt	**(846.13)**	**(710.02)**

Particulars	Other assets	Liabilites from financing activities			
	Cash and cash equivalents	Current borrowings	Interest on above borrowings	Lease Liability	Total
Net Debt as at March 31, 2020	**1.16**	**(602.36)**	**-**	**(108.83)**	(710.02)
Cash flows	(0.44)	(186.32)	-	50.65	(136.11)
Non cash movement: Acquisitions/ disposals	-	-	-	-	-
Interest expense	-	-	(68.24)	(10.74)	(78.98)
Interest paid	-	-	68.24	10.74	78.98
Net Debt as at March 31, 2021	**0.72**	**(788.69)**	**-**	**(58.17)**	**(846.13)**

Particulars	Other assets	Liabilites from financing activities			
	Cash and cash equivalents	Current borrowings	Interest on above borrowings	Lease Liability	Total
Net Debt as at March 31, 2019	136.11	(924.10)	-	-	(787.99)
Cash flows	(134.94)	321.74	-	44.10	230.90
Non cash movement: Acquisitions/ disposals	-	-	-	(152.93)	(152.93)
Interest expense	-	-	(71.64)	(16.56)	(88.20)
Interest paid	-	-	71.64	16.56	88.20
Net Debt as at March 31, 2020	**1.16**	**(602.36)**	**-**	**(108.83)**	**(710.02)**

Note 42 - Fair Value measurement

(Rs. In Lakhs)

Particulars	31st March, 2021		31st March, 2020	
	FVOCI	Amortised Cost	FVOCI	Amortised Cost
Financial Assets				
Investments	710.91	32.63	-	32.63
Trade receivables	-	1,224.71	-	907.96
Cash and cash equivalents	-	0.72	-	1.16
Bank balances other than above	-	22.91	-	19.32
Loans	-	607.39	-	961.89
Other financial assets	-	61.31	-	63.67
Total	**710.91**	**1,949.67**	**-**	**1,986.63**
Financial Liabilities				
Borrowings	-	784.45	-	600.48
Trade payables	-	211.46	-	148.18
Other Financial liabilities	-	62.42	-	114.65
Total	**-**	**1,058.33**	**-**	**863.31**

The company has fair valued its Equity investment (through Mutual Fund) through OCI based on quoted prices of such investments in active market. Hence it falls under level 1 valuations technique.

Note 43

The spread of COVID-19 has severely impacted business. There had been severe disruption of regular business operations in the first quarter of the financial year due to lock down, disruption in transportation, supply chain, travel bans and other emergency measures. The Company has put in place significant safeguards for the safety of the employees based on various Government advisories. The Company believes that it has taken into consideration all the possible impacts of known events arising from COVID-19 pandemic in the preparation of standalone financial statements.

Note 44

Previous period figures have been restated for prior period adjustments and regrouped / reclassified wherever necessary , to make them comparable with current period figures.

The accompanying notes are an integral part of the financial statements
As per our report of even date

For & on behalf of the Board of Directors of Sharda Ispat Limited

Panpaliya Taori and Co.
Firm Registration No. 125508W
Chartered Accountants

CA. Ritesh Panpaliya
Partner
Membership No.115665

Nagpur
Dated:- 21st June, 2021

(Nandkishore Sarda)
(Chairman cum Managing Director)
(DIN 00229911)

(Amit Mundada)
(Company Secretary)

(Poonam Sarda)
(Whole Time Director & CFO)
(DIN 00190512)

Nagpur
Dated:- 21st June, 2021

Annual Report on Corporate Social Responsibility (CSR) Activities (Pursuant to Rule 8 of Companies (Accounts) (Corporate Social Responsibility Policy) Rules, 2014) For the Financial Year 31st March, 2021.

1. **Brief outline of the Company's CSR Policy**

   CSR Policy provides a guideline of the methodologies and areas for choosing and implementing the Company's CSR Projects. The major sections covered under the said Policy include Education, Health Care, Rural Infrastructure, Sanitation and Self-employment Generation, Vocational Skills, Empowerment of Women and Youth, Environment Sustainability, Protection and Development of National Heritage, Art Culture, Public Libraries, Social Causes & Disaster Management.

2. **Composition of CSR Committee**:

   The Corporate Social Responsibility Committee shall consist of the following members:

Sr. No.	Name of Director	Designation /Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Shri. Nandkishore Sarda	Mananging Director (Chairman)	2	2
2	Shri. Rajendra Prasad Mohanka	Independent Director (Member)	2	2
3	Shri. Ramesh Mantri	Independent Director (Member)	2	2

3. The CSR Policy of the Company is displayed on Company's website link- http://shardaispat.com/investor/policy.

4. Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable (attach the report):- **Not applicable for Financial Year 2020-21.**

5. Details of the amount available for set-off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set-off for the financial year, if any:

Sr.No.	Financial Year	Amount available for set-off from preceding financial years (in Rs.)	Amount required to be set-off for the financial year, if any (in Rs.)
1	2020-21	Not applicable	Not applicable

6. Average net profit of the Company as per Section 135 (5): Rs. 6,76,92,850/-

7	(a)	Two percent of average net profit of the Company as per Section 135 (5)	Rs. 13,53,857
	(b)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years.	Not applicable
	(c)	Amount required to be set off for the financial year, if any	Not applicable
	(d)	Total CSR obligation for the financial year (7a+7b-7c)	Rs. 13,53,857

8. (a) CSR amount spent or unspent for the financial year :

Total Amount Spent for the Financial Year	**Amount Unspent (in Rs.)**				
	Total Amount transferred to Unspent CSR Account as per Section 135 (6)		**Amount transferred to any fund specified under schedule VII as per second proviso to section 135 (5)**		
	Amount	**Date of transfer**	**Name of the Fund**	**Amount**	**Date of transfer**
Rs. 13,56,902	N.A.	N.A.	N.A.	N.A.	N.A.

(b) Details of CSR amount spent against ongoing projects for the financial year: **Not Applicable**

(1) Sr.No.	(2) Name of the project	(3) Item from the list of activities	(4) Local area (Yes/No)	(5) Location of the project		(6) Project Duration	(7) Amount allocated for the project (in Rs.)	(8) Amount spent in the current financial year (in Rs.)	(9) Amount transferred to Unspent CSR	(10) Mode of implementation Direct (Yes/No)	(11) Mode of implementation Through Implementing Agency	
				State	District						Name	CSR Registration No.
1.	-	-	-	-	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-	-	-	-	-	-

(c). Details of CSR amount spent against other than ongoing projects for the financial year:

(1) Sr. No.	(2) Name of the Project	(3) Item from the list of activities in Schedule vii to the Act	(4) Local area (Yes /No)	(5) Location of the project		(6) Amount spent in the current financial Year (in Rs.)	(7) Mode of implementation – Direct (Yes/ No)	(8) Mode of Implementation Through Implementing Agency	
				State	District			Name	CSR Registration No.
1.	Poverty & Malnutrition	Making available the food supplies to such under privileged families schedule VII (i)	Yes	Maharashtra	Nagpur	1,00,000	No	Centre for sustainable development	N.A
2.	Animal Welfare	Providing food, shelter and care to Cows schedule VII (iv)	Yes	Maharashtra	Nagpur	7,61,000	No	Shri. Nagpur Gaurakshan Anusandhan Kendra	N.A
3.	Health care and medical facilities	Distribution of PPE Kit covered under (i) of Schedule VII	Yes	Maharashtra	Nagpur	95,902	No	Rotary Club	N.A
4	Health care and medical	promotion of health care includin	Yes	Maharashtra	Nagpur	3,50,000	No	VNIT Nagpur Alumni Association	N.A

	facilities	g preventive health care and sanitation (i) of Schedule VII							
5	Health care and medical facilities	promoting health care including preventinve health care covered under (i) of Schedule VII	Yes	Maharashtra	Nagpur	50,000	No	Sewa bharati	N.A
	Total					**13,56,902**			

(d) Amount spent in Administrative Overheads : NIL

(e) Amount spent on Impact Assessment, if applicable : Not Applicable

(f) Total amount spent for the Financial Year (8b+8c+8d+8e) : Rs. 13,56,902

(g) Excess amount for set off, if any : NIL

Sr.No.	Particular	Amount (in Rs.)
(i)	Two percent of average net profit of the company as per Section 135 (5)	13,56,902
(ii)	Total amount spent for the Financial Year	13,56,902
(iii)	Excess amount spent for the financial year [(ii)-(i)]	NIL
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	NIL
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	NIL

9. (a) Details of Unspent CSR amount for the preceding three financial year(s):

Sr.No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under section 135 (6) (in Rs.)	Amount spent in the reporting Financial Year (in Rs.)	Amount transferred to any fund specified under Schedule VII as per section 135 (6), if any			Amount remaining to be spent in succeeding financial years (in Rs.)
				Name of the fund	Amount (in Rs.)	Date of transfer	
1.	2017-18	NA					
2.	2018-19	NA					
3.	2019-20	NA					

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceeding financial year (s):

(1) Sr. No.	(2) Project ID	(3) Name of the project	(4) Financial year in which the project was commenced	(5) Project duration	(6) Total amount allocated for the project (in Rs.)	(7) Amount spent on the project in the reporting Financial Year (In Rs.)	(8) Cumulative amount spent at the end of reporting Financial Year.	(9) Status of the project – completed/ ongoing
NIL								

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year.

(Asset-wise details) : Not Applicable

(a) Date of creation or acquisition of the capital asset (s).

(b) Amount of CSR spent for creation or acquisition of capital asset.

(c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.

(d) Provide details of the capital asset (s) created or acquired (including complete address and location of the capital asset).

11. Specify the reason (s), if the Company has failed to spend two percent of the average net profit as per section 135 (5): **Not Applicable**

Place: Nagpur
Date: 03rd August,2021

Nandkishore Sarda
Chairman, CSR Committee

FORM NO. AOC.2

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arms length transactions under third proviso thereto.

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

1. Details of contracts or arrangements or transactions not at arm's length basis

Sl No.	Particulars	Details
A	Name(s) of the related party and nature of relationship	--
B	Nature of contracts/arrangements/transactions	--
C	Duration of the contracts/arrangements/transactions	--
D	Salient terms of the contracts or arrangements or transactions, including the value, if any	--
E	Justification for entering into such contracts or arrangements or transactions	--
F	Date of approval by the Board	--
G	Amount paid as advances, if any	--
H	Date on which the special resolution was passed in General meeting as required under first proviso to section 188	--

2. a. Details of material contracts or arrangement or transactions at arm's length basis.

Sl No.	Particulars	Details
A	Name(s) of the related party and nature of relationship	Sharda Ispat Industries Limited
B	Nature of contracts/arrangements/transactions	Land admeasuring 4.323 acres taken on lease for using as Registered office of the Company.
C	Duration of the contracts/arrangements/transactions	3 years
D	Salient terms of the contracts or arrangements or transactions, including the value, if any:	Rent Rs.57,60,000/- Per Annum (Exclusive of Taxes)
E	Date(s) of approval by the Board, if any	14-02-2019
F	Amount paid as advances, if any:	--

2. b. Details of material contracts or arrangement or transactions at arm's length basis.

Sl No.	Particulars	Details
A	Name(s) of the related party and nature of relationship	Shardashree Ispat Limited
B	Nature of contracts/arrangements/transactions	Sale of Billet, Round, other store materials consumable items and waste and scraps
C	Duration of the contracts/arrangements/transactions	On going
D	Salient terms of the contracts or arrangements or transactions including the value, if any:	Sale of goods to above party on market price on time to time
E	Date(s) of approval by the Board, if any	31-07-2020
F	Amount paid as advances, if any:	--

2. c. Details of material contracts or arrangement or transactions at arm's length basis.

Sl No.	Particulars	Details
A	Name(s) of the related party and nature of relationship	Sharda Auto Industries Limited
B	Nature of contracts/arrangements/transactions	Sale of Spring Steel, Flat and Bars
C	Duration of the contracts/arrangements/transactions	3 years
D	Salient terms of the contracts or arrangements or transactions including the value, if any:	Sale of goods to above party on market price on time to time
E	Date(s) of approval by the Board, if any	13-11-2020
F	Amount paid as advances, if any:	--

2. d. Details of material contracts or arrangement or transactions at arm's length basis.

Sl No.	Particulars	Details
A	Name(s) of the related party and nature of relationship	Sharda Dharamkanta
B	Nature of contracts/arrangements/transactions	Truck hire charges
C	Duration of the contracts/arrangements/transactions	On going
D	Salient terms of the contracts or arrangements or transactions including the value, if any:	Availing of Weighment and Transportation Services to above party on market price on time to time
E	Date(s) of approval by the Board, if any	31-07-2020
F	Amount paid as advances, if any:	--

2. e. Details of material contracts or arrangement or transactions at arm's length basis.

Sl No.	Particulars	Details
A	Name(s) of the related party and nature of relationship	Shri. Anand Sarda
B	Nature of contracts/arrangements/transactions	Consultancy Services
C	Duration of the contracts/arrangements/transactions	On going
D	Salient terms of the contracts or arrangements or transactions including the value, if any:	Availing of his technical consultancy services for the repairs and maintenance of machines and equipments at the company's plant located at Kamptee Road, Nagpur. Maximum Rs. 10.00 Lakhs
E	Date(s) of approval by the Board, if any	31-07-2020
F	Amount paid as advances, if any:	--

2. f. Details of material contracts or arrangement or transactions at arm's length basis.

Sl No.	Particulars	Details
A	Name(s) of the related party and nature of relationship	M/s. Indigo Denim Private Limited
B	Nature of contracts/arrangements/transactions	Sale of steam coal, coal dust and scrap
C	Duration of the contracts/arrangements/transactions	During the year 2020-21
D	Salient terms of the contracts or arrangements or transactions including the value, if any:	Sale of goods to above party on market price on time to time
E	Date(s) of approval by the Board, if any	31-07-2020
F	Amount paid as advances, if any:	--

2. g. Details of material contracts or arrangement or transactions at arm's length basis.

Sl No.	Particulars	Details
A	Name(s) of the related party and nature of relationship	M/s. Shardashree Ispat Limited
B	Nature of contracts/arrangements/transactions	Purchase of square bar, other store materials, consumable items and waste and scrap
C	Duration of the contracts/arrangements/transactions	During the year 2020-21

D	Salient terms of the contracts or arrangements or transactions including the value, if any:	Purchase of goods from the above party on market price on time to time
E	Date(s) of approval by the Board, if any	31-07-2020
F	Amount paid as advances, if any:	--

2. h. Details of material contracts or arrangement or transactions at arm's length basis.

Sl No.	Particulars	Details
A	Name(s) of the related party and nature of relationship	M/s. Indigo Denim Private Limited
B	Nature of contracts/arrangements/transactions	Purchase of Cotton waste and denim jeans
C	Duration of the contracts/arrangements/transactions	During the year 2020-21
D	Salient terms of the contracts or arrangements or transactions including the value, if any:	Purchase of goods from the above party on market price on time to time
E	Date(s) of approval by the Board, if any	31-07-2020
F	Amount paid as advances, if any:	--

2.i. Details of material contracts or arrangement or transactions at arm's length basis.

Sl No.	Particulars	Details
A	Name(s) of the related party and nature of relationship	Smt. Ashadevi Sarda, wife of Shri Nandkishore Sarda.
B	Nature of contracts/arrangements/transactions	Land admeasuring 1.492 acres taken on lease for using as Registered office of the Company.
C	Duration of the contracts/arrangements/transactions	Permanent Lease
D	Salient terms of the contracts or arrangements or transactions including the value, if any:	Rent Rs.24,000/- Per Annum
E	Date(s) of approval by the Board, if any	Mutually agreed
F	Amount paid as advances, if any:	31-07-2020

For and on behalf of the Board of Directors
Sd/-
Nandkishore Sarda
Chairman & Managing Director
DIN: 00229911
Address: Plot No. 32,
Cement Road, Shivaji Nagar,
Shankar Nagar, Nagpur-440010

Date: 13.08.2021
Place: Nagpur

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE OUTGO

(A) CONSERVATION OF ENERGY:

The Company lays great emphasis on savings in the cost of energy consumption. Therefore, achieving reduction in per unit consumption of energy is an ongoing exercise in the Company. Effective measures such as improved operation and maintenance practices have been taken to minimize the loss of energy as far as possible.

(B) TECHNOLOGY ABSORPTION:

The technology used for the existing project is fully indigenous. The production department of the Company has been always in pursuit of finding ways and means to improve the performance, quality and cost effectiveness of products. The consistent efforts are made for the updation of technology being used by the Company as a continuous exercise. The Company does not have a separate Research & Development activity. (Reheating of furnace modification)

The below-mentioned benefits are derived.

- Reduction in cost of the process
- Product improvements
- Improvement in on stream line
- Improvement in reaction efficiency
- Conservation of base material
- Environment protection and effluent quality improvement

In case of imported technology (imported during the last three years reckoned from the beginning of the financial year)-

a. The details of technology imported b. The year of import c. Whether the technology been fully absorbed d. If not fully absorbed, areas where absorption has not taken place, and the reasons thereof	No technology imported during last three years.

The expenditure incurred on Research and Development.

a. Capital b. Recurring c. Total d. Total R & D expenditure as a percentage of total turnover	The development work is carried out by the concerned departments on an ongoing basis. The expenses and the cost of assets are grouped under the respective heads.

(C) FOREIGN EXCHANGE EARNINGS AND OUTGO:

1. The company has not affected any import or export during the year ended 31.03.2021.
2. The inflow of foreign exchange is Nil.
3. The outflow of foreign exchange is Nil.

Form 'A'
(Form for Disclosure of Particulars with respect to Conservation of Energy)

	March 2021	March 2020
D. Power and Fuel Consumption		
1. Electricity:		
a). Purchased : Units (No.)	15,61,372	18,60,461
Total Amount (Rs.)	1,68,21,355	1,84,23,249
Average Rate/ Unit (Rs.)	10.77	9.90
b). Own Generation	Nil	Nil
2. Steam Coal		
Quantity (Tonnes)	2,111	2,907
Total Cost (Rs.)	1,45,27,503	2,46,21,881
Average Rate/ Tonne (Rs.)	6,883	8,471
3. Furnace Oil:		
Quantity (K. Ltrs.)	Nil	Nil
Total Amount (Rs.)	Nil	Nil
Average Rate/ K. Ltrs (Rs.)	Nil	Nil
4. Other / Internal Generation		
Products (with details) Unit	Nil	Nil
Rolled Iron & Steel (in MT)	16,913	18,753
Electricity (in Units)	92.32	99.21
Furnace Oil (Secondary Fuel) (in Ltrs.)	Nil	Nil
Coal (Steam Coal 'B' Grade) (in MT) excluding Shell & Dust	0.125	0.155
Other (Specify)	Nil	Nil

For and on behalf of the Board of Directors
Sd/-
Nandkishore Sarda
Chairman & Managing Director
DIN: 00229911
Address: Plot No. 32,Cement Road,
Shivaji Nagar,Shankar Nagar,
Nagpur-440010

Date: 13.08.2021
Place: Nagpur

Annexure 5 to Board's Report

The information required under Section 197 (12) of the Companies Act, 2013 read with rule 5 (1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are given below:

1. The percentage increase or decrease in remuneration of each Director, Chief Financial Officer, Company Secretary or Manager, if any, in the financial year 2020-21, the ratio of the remuneration of each director to the median remuneration of each Key Managerial Personnel (KMP) against the performance of the Company are as under:

Sr. No.	Name of Director/KMP and Designation	Remuneration of Director/ KMP for Financial Year 2020-21 (Amount in Rs.)	% increase/ (decrease) in Remuneration in the Financial Year 2020-21	Ratio of remuneration of each Director/ to median remuneration of employees (times)	Comparison of the remuneration of the KMP against the performance of the Company
1.	Shri. Nandkishore Sarda (Chairman & Managing Director)	36,00,000	No change	11.25	Profit before tax decreased by 4.61% and profit after tax decreased by 3.93% in financial year 2020-21. There was no change in remuneration of KMP.
2.	Smt. Poonam Sarda (Whole-time Director & Chief Financial Officer)	30,00,000	No change	9.38	
3.	Shri. Amit B.Mundada (Company Secretary & Compliance officer)	4,93,507	No change		

2. The median remuneration of employees of the Company during the financial year 2020-21 was Rs. 3,20,000/- per annum.

3. In the financial year 2020-21, there was increase of 5.71% in the median remuneration of employees.

4. There were 40 permanent employees on the rolls of the Company as on March 31, 2021.

5. There was an increase of 2.29% in the salaries of the employees other than the managerial personnel in the last financial year 2020-21 and no change in managerial remuneration during the same financial year.

6. It is hereby affirmed that the remuneration paid is as per the Nomination & Remuneration Policy for directors and key managerial personnel.

7. The Sub-rule 2 of Rule 5 of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is not applicable to the Company.

For and on behalf of the Board of Directors
Sd/-
Nandkishore Sarda
Chairman & Managing Director
DIN: 00229911
Address: Plot No. 32,
Cement Road, Shivaji Nagar,
Shankar Nagar, Nagpur-440010

Date: 13.08.2021
Place: Nagpur

Form No. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31-03-2021
[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members
Sharda Ispat Limited,
(CIN:L74210MH1960PLC011830)
Kamptee Road,
Nagpur-440026 (Maharashtra)

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

Based on my verification of the 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 31st March, 2021 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 31st March, 2021 according to the provisions of:

(i) The Companies Act, 2013 (**the Act**) and the rules made thereunder;

(ii) The Securities Contracts (Regulation) Act, 1956 (**'SCRA'**) and the rules made thereunder;

(iii) The Depositories Act, 1996 and the regulations and bye-laws framed thereunder;

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (**'SEBI Act')** to the extent applicable to the Company :-

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, 2015;

c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 ;(Not applicable to the Company during the Audit Period);

d. The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations,2014; (Not applicable to the Company during the Audit Period);

e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations,2008; (Not applicable to the Company during the Audit Period);

f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (Not applicable to the Company during the Audit Period);

h. The Securities and Exchange Board of India (Buy back of Securities) Regulations, 2018; (Not applicable to the Company during the Audit Period); and;

i. The Securities and Exchange Board of India (Listing Obligation and Disclosure Requirement) Regulation, 2015.

(vi) Other laws applicable to the Company as per their presentations made by the Company.

I have also examined compliance with the applicable clauses:-

1. The Secretarial Standards issued by The Institute of Company Secretaries of India.

2. The Listing Agreements entered into by the Company with BSE Limited and The Calcutta Stock Exchange Association Ltd., Calcutta read with the Securities and Exchange Board of India (Listing Obligation and Disclosure Requirement) Regulation, 2015.

During the period under review and as per the representations and clarifications made by the management, the Company has generally complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above except the Company has

not paid listing fee to Calcutta Stock Exchange and the Status of the Company, as viewed on the website of the Calcutta Stock Exchange, is Suspended.

I further report that:

- The Board of Directors of the Company is duly constituted with proper balance of Executive Directors and Independent Directors for the major part of the year. There is no change in the composition of the Board of Directors during the period under review.

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

- All Decisions at Board Meetings and Committee Meetings are carried out with requisite majority as recorded in the minutes of the meetings of the Board of Directors or Committees of the Board, as the case may be.

I further report that based on the information received and records maintained 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.

For Sunil Kumar Sharma & Associates
Company Secretaries

Sunil Kumar Sharma
(Proprietor)
FCS 10043, CP No. 12708
UDIN:F010043C000788581
Date :13/08/2021
Place : Nagpur

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

"Annexure – A'

To,
The Members
Sharda Ispat Limited,
(CIN:L74210MH1960PLC011830)
Kamptee Road, Nagpur -440026

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

1. Maintenance of secretarial record is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on my audit.

2. I have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on a test basis to ensure that correct facts are reflected in secretarial records.I believe that the process 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. The compliance of applicable Financial Laws, like Direct and Indirect Tax laws, has not been reviewed in this audit since the same have been subject to review by the Statutory Financial Auditors and other designated professionals.

4. Wherever required, we 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, regulations, standards is the responsibility of management. My examination was limited to the verification of procedure on random 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.

For Sunil Kumar Sharma & Associates
Company Secretaries

Sunil Kumar Sharma
(Proprietor)
FCS 10043, CP No. 12708
UDIN:F010043C000788581
Date :13/08/2021
Place : Nagpur

MANAGEMENT DISCUSSION AND ANALYSIS:

The operating and financial review is intended to convey the management's perspective on the financial and operating performance of the Company for the financial year 2020-21 and outlook for the current financial year. This Report should be read in conjunction with the Company's financial statements, the schedules and notes thereto and other information included elsewhere in the Annual Report. This report is an integral part of the Board's Report.

Industry Structure and Development

INDIAN ECONOMY:

According to the National Statistical Office ("NSO"), India's Gross Domestic Product is estimated to contract by 8.00% in financial year 2020-21. To control the spread of the COVID-19 pandemic, India had imposed severe lockdowns in April and May 2020 resulting in curtailment of economic activities. As a result of the lockdowns, India's GDP contracted by 24.4% in the first quarter of financial year 2020-21. As lockdowns restrictions were gradually eased from June 2020, the economy witnessed a strong V-shaped recovery. The economy recovery is resilient with sustained improvement in majority of high frequency indicators. The Purchase Manager's index manufacturing index was 55.4 in March 2021 compared to 51.8 in March 2020. Based on data provided by the NSO, gross value added at basic prices for Financial Year 2020-21 from the manufacturing sector is estimated to decline by 6.4% compared to financial year 2019-20. Sector-wise, agriculture has remained the silver lining while contract based services, manufacturing, construction were hit hardest, and have been recovering steadily. Government consumption and net exports have further provided support in the recovery. As per International Monetary Fund projections in March 2021, Indian economic growth is estimated at 12.5% in financial year 2021-22.

The automobile industry recovered slightly in financial year 2020-21 due to the resurgence of the economy. According to data released by SIAM, in FY 2020-21, the Indian Automotive industry recorded a 6.1% decline in domestic sales compared to a 20.3% decline financial year 2019-20. The Passenger Vehicle segment declined 2.0% in financial year 2020-21, compared to a 17.3% decline in financial year 2019-20. While overall industry sales were lower than the financial year 2019-20, the trend of preference towards personal mobility reduced the overall impact of the slowdown. The Commercial Vehicle industry in India registered a 21.7% decline in Financial year 2020-21 compared to a 30% decline in Financial year 2019-20, because of the COVID-19 pandemic, lower freight utilizations, difficulties in obtaining financing and some hesitation due to rising costs for BS VI vehicles.

The demand for passenger vehicles has grown in financial year 2020-21 on the back of some pent-up demand but more importantly a structural shift in personal mobility preference arising out of an urge to break free in the aftermath of the restrictions in travelling during the COVID-19 pandemic situation as well as resurgence in the rural

markets. With the shutdown of all non-essential services accompanies by liquidity cash crunch, the demand for commercial vehicles was severally impacted in the first half of Financial year 2020-21. While there are short term challenges on account of COVID-19 pandemic, Commercial vehicle industry is likely to rebound and show recovery after witnessing two consecutive years of double digit de-growth. Demand for commercial vehicles, particularly Medium and Heavy Commercial Vehicles, is likely to also benefit from various government initiatives to help review the economy.

GLOBAL ECONOMY:

Global Gross Domestic Product contracted by 3.5% in 2020 as governments in both developed and emerging economies took measures to contain the spread of the COVID-19 virus. While the decline was sharper than the global financial crisis in 2009, but the scale of the fiscal response to the COVID-19 crisis was unprecedented and three times bigger than the 2008-09 financial crisis. The response by policy makers prevented a collapse that would have been at least three times worse, and the medium-term losses for the global economy are expected to be smaller than the global financial crisis.

While China is forecasted to continue its rapid growth in 2021, Latin America and the Eurozone is expected to lag behind. US saw overall GDP decline of 3.5%. India's economy rebounded quickly from one of the world's longest and stringent lockdowns, which also came with steepest fall in Global Domestic Product in quarter 2. Real Gross Domestic Product grew by 0.4% in the quarter 3 of the financial year 2021 after a contraction in the previous two quarters. Real Gross Domestic Product is estimated to have contracted by -8% in financial year 2020-21.

OPPORTUNITIES AND THREATS:

OPPORTUNITIES:

The key opportunities boosting the steel demand are Government's focus on strengthening the domestic manufacturing base under the flagship "Atmanirbhar Bharat" programme. The Production Linked Incentive scheme has been introduced to boost the manufacturing sector in industries like automobile & auto components, consumer durables etc. These are expected to boost steel consumption. Government has announced an investment of over Rupees One trillion in infrastructure over the next 5 years. This would be a key growth driver not only for steel industry but will also be a multiplier of growth across the sectors, boosting steel demand from sectors such as transportation, real estate and infrastructure. Emergence of new trends after COVID-19 such as work from home, preference to social distancing would create an additional demand for furniture mobility, etc. In addition, the rise in e- commerce activity will support the growth of warehousing and light commercial vehicles.

THREATS:

Resurgence of infections leading to fresh lockdowns, localized as well as regional/ national level resulting in disruption in economic activity. Continuous trade wars between the world's major economies and the major threat to the domestic steel continues to be the high cost of borrowed funds as compared to the developed countries such as China, Japan and Korea, which makes the Indian steel players more vulnerable to any slowdown in the economy.

An understanding of the global steel industry and developments in the last few years is important. China is the world's largest steel producer, accounting for 51.3% of global production and an output that is nearly eight to nine times higher than that of the second largest producer, which is India. Clearly, exports from China have the potential to disrupt global trade and international steel prices. Moreover, in the last couple of years, protectionist barriers are being put up by various nations against steel imports. With a growing market, India is a potential destination for all the displaced exports from countries like China, Japan and Korea, who all have a substantial export basket in steel products. We perceive this as a threat rather than a challenge. However, if the areas outlined above are not addressed vis-à-vis improving India's competitiveness in terms of costs, this threat can become a challenge to the growth aspirations outlined in the National Steel Policy, 2017.

The other potential challenge that the Indian steel industry will soon start facing in a significant way is digital disruption. These new and possibly more disruptive improvements can challenge the traditional steel company's business models. Digital disruption will enable the steel industry to prepare itself for unexpected challenges and become more competitive.

SEGMENTWISE OR PRODUCT-WISE PERFORMANCE:

The Company operates in only one segment, i.e. iron & steel. During the financial year 2020-21, the Company achieved production of Steel product as under:

Own Unit – 16,913 MT (Previous Year 18,699.185 MT)
Sales (Rs.) – 9,527.81 Lakhs (Previous Year 9,286.87 Lakhs)
Conversion Service (MT) – Nil (Previous Year 53.495 MT)
Sales (Rs.) – Nil (Previous Year 4.34 Lakhs)

OUTLOOK FOR STEEL INDUSTRY:

The COVID-19 pandemic pulled down the steel industry tallispin in the first half of 2020, but it quickly bounced back with a pick-up in domestic demand at the outset of the third quarter due to restoration of activities. The industry expects the strong demand to continue in the current year also. The mood in the steel industry is upbeat so far as demand growth in India is concerned as the per capita consumption of Steel in India is significantly low, which leaves room for growth. In India, it stands at around 78 kg

compared to a global average of 225 kg. Further, the National Steel Policy 2017, which has laid down a road map for achieving long term growth in the Indian steel Industry, both on the demand and supply side, will continue to aim to increase demand of steel in the country by targeting the domestic per capita steel consumption at 160 kgs by the year 2030-31. The Government's focus on infrastructure spending, expansion of housing and manufacturing sector, road and railway projects will also fuel the demand for steel in the country.

RISK & CONCERNS:

The Company operates in an increasingly complex, volatile and uncertain business environment with stringent regulatory and environmental requirements. The Company aspires to create long term value for its stakeholders by embedding risk intelligence and building resilience within the organisation. The Company has implemented an Enterprise Risk Management ('ERM') framework to provide a holistic view of aggregated risk exposures as well as to facilitate more informed decision-making. The ERM framework includes identification of risks and risk owners for regular tracking, mitigation and reporting of risks to help the Company meet its business objectives. The Company through the ERM framework has identified key risks under various categories such as financial risks, macroeconomic and market risks, operational risks, safety risks, commodity risks, supply chain risks, information security risks, regulatory risks, climate change risks and community risks. The Company has also mapped the severity of these risks and the likely impact on the Company and has developed mitigation strategies to eliminate or minimise the impact of the risks.

Alongside identification of risks, the Company has a continuous process of monitoring and leveraging opportunities presented by the external and internal environment. Despite the immediate challenges posed by the COVID-19 pandemic, the Company will continue to leverage opportunities provided by the near-term and long-term macro and business environment. The Company has identified various opportunities for growth and improvement and has developed strategies to leverage these opportunities. For mitigating the risk of statutory compliances, the Company has the procedure in place for monthly reporting of compliance of statutory obligations and reported to the Board of Directors in the Board meetings.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY:

The Company has in place an adequate system of internal control commensurate with its size, scale and complexity of its operations. The system provides a reasonable assurance in respect of providing financial and operational information, complying with applicable statutes, safeguarding of assets of the Company and ensuring compliance with corporate policies. The Company has availed the services of independent professional firms for Internal Audit, which checks the effectiveness of the internal controls with an objective to provide an independent, objective and reasonable assurance of the adequacy and effectiveness of your Company's risk management, control and governance processes. The scope and authority of the internal activity are approved by the Audit Committee.

The Internal Auditor reports directly to the Audit Committee of the Board. Based on the report of the Internal Auditor, process owners undertake corrective actions in their respective areas and thereby strengthen the control.

Audit Committee periodically reviews the Internal Audit Reports and issues guidance and advice. Minutes of the Audit Committee are put up to the Board of Directors.

DISCUSSIONS ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE.

During the fiscal year 2020-21, the Company achieved the sales turnover of Rs. 9,527.81 Lakhs (Own Unit Rs. 9,527.81 Lakhs (16,913 MT) and Conversion / Service Rs. Nil (Nil) as against Rs. 9,291.21 Lakhs (Own Unit Rs. 9,286.87 Lakhs (18,699.185 MT) and Conversion / Service Rs. 4.34 Lakhs (53.495 MT)} during the previous year. After providing depreciation of Rs. 76.05 Lakhs and Rs. 80.08 Lakhs and Rs. 78.98 Lakhs and 88.20 Lakhs towards interest and further adjusting Rs. 113.50 Lakhs for taxation (net), the Company posted a net profit after tax of Rs. 345.04 Lakhs as against Rs. 359.15 Lakhs during the last year. During the year, the operational performance of the Company has increased. In terms of volume it was decreased. Due to the severe impact of Covid-19 pandemic, the steel industry suffered in the first half of the year 2020 on account of nationwide lockdowns and disrupted supply chains across the countries. Although steel was declared an essential industry in several countries, demand for steel fell sharply during the pandemic. During the year under review, the Company witnessed no job work done due to the cutting down in the production of Automotive manufacturing sector, one of the largest consumers of steel, thereby resulting in dip in demand for steel. However, in the second half, the steel industry showed a rebound with resumption of economic activities in almost every part of the world, which translated into more than 30%, jumps in the steel prices globally. The World Steel Association (world steel) has forecasted that steel demand will grow by 5.8% in 2021 to reach 1874.00 million tones and will further grow by 2.7% to reach 1,924.6 million tonnes in 2022.

KEY FINANCIAL RATIOS:

The details of changes in the key financial ratios as compared to previous years are stated below:

Ratios	Units	2020-2021	2019-2020	Change (%)
Debtors Turnover Ratio	Times	7.7796	10.2331	(23.98)
Inventory Turnover Ratio	Times	13.3580	13.0621	2.26
Interest Coverage Ratio	Times	6.8060	6.4504	5.51
Current Ratio	Times	2.5060	3.0925	(18.96)
Debt Equity Ratio	Times	0.4521	0.4558	(0.80)
Operating Profit Margin	%	0.1320	0.1545	(14.57)
Net Profit Margin	%	0.0357	0.0383	(6.89)
Return on Net worth	%	0.1248	0.1590	(21.48)

MATERIAL DEVELOPMENTS IN HUMAN RESOURCES/ INDUSTRIAL RELATIONS FRONT, INCLUDING A NUMBER OF PEOPLE EMPLOYED:

The Company recognises the importance of human resources in realizing its growth ambitions and believes in nurturing talent within the organisation to take up leadership positions. The Company increased its concentration more on the development of Human Resources than any other Resources. The Company took adequate steps for maintaining safety and healthy environment for the workers. Industrial relations continue to be cordial throughout the year. Your Directors place on record their sincere appreciation for the excellent teamwork displayed by the employees of the Company. During the year ended 31.03.2021, the total number of employees employed by the Company was 40 (forty).

REPORT ON CORPORATE GOVERNANCE

1. CORPORATE GOVERNANCE PHILOSOPHY

Corporate Governance is an ethically driven business process that is committed to aim to aim at enhancing the image of the organization. Our Company is committed to the following core values:

a. **Transparency** - Timely disclosure of all the activities.
b. **Internal control** – The Company has developed the system to control all the activities
c. **Quality** - The Company is committed to supply high quality materials to our customers.
d. **Duty towards Society** – The Company understands duties toward society and undertaking various Corporate Social Responsibility activities.
e. **Growth** - The Board shall oversee the performance of the Company and should ensure shareholders protection and maximization of their long term values.

Further, the Company believes that an active, well-informed and Independent Board is necessary to ensure the highest standards of Corporate Governance.

2. BOARD OF DIRECTORS

2.1) Composition and Category of Directors

The Board consists of 5 (Five) Directors as on 31st March, 2021. The Composition of the Board is in conformity with Regulation 17 of the SEBI (Listing obligations and Disclosure Requirements) Regulations, 2015. The day- to- day operations of the Company was carried on by the 2 (Two) Executive Directors of the Company. All independent directors possess the requisite qualifications and are well experienced in their own fields.

The names and categories of the directors on the board and other relevant information, as on 31st March, 2021, are as under:

Sr. No.	Name of Director	Category	No. of other Directorships held#	Member/ Chairman of other Board Committees @	No. of shares held in Company
1.	*Shri. Nandkishore Sarda	Promoter Executive	8	2	3,23,100
2.	*Smt. Poonam Sarda	Promoter/ WTD	7	1	1,28,060
3.	Shri. R.P.Mohanka	Independent Non-Executive	5	5	0

4.	Shri. Harish Dass	Independent Non- Executive	2	3	0
5.	Shri. Ramesh Mantri	Independent Non- Executive	3	3	0

Notes:

*Except Shri. Nandkishore Sarda and Smt. Poonam Sarda, who are related to each other, no other director is related to any one in any manner. Shri. Nandkishore Sarda is father-in-law of Smt. Poonam Sarda.

Including Public Limited Companies and Private Limited Companies excluding directorships in foreign companies.

@ Including all the committees.

2.2) Board Meetings

The members of the Board are provided with the requisite information mentioned in the Listing Regulations well before the Board Meetings. Six meetings of the Board of Directors were held during the year ended 31st March, 2021 as given hereunder:

Sr.No.	Date of Meeting
1	31st July, 2020
2	13th August, 2020
3	12th September, 2020
4	13th November, 2020
5	12th February, 2021*
6	12th February, 2021

(* This meeting is only for Non-Executive and Independent Directors.)

The attendance record of the Directors at the Board Meetings during the year ended 31st March, 2021 and at the last Annual General Meeting is as under:

Sr.No.	Name of Director	No. of Board Meetings attended	Attendance at the last AGM
1.	Shri. Nandkishore Sarda	5	Present
2.	Smt.Poonam Sarda	5	Present
3.	Shri. R.P.Mohanka	5	Present
4.	Shri. Harish Dass	5	Present
5.	Shri. Ramesh Mantri	5	Present

2.3) Details of directorships in other listed companies with category of Company's directors is as under (as on 31st March, 2021):

Sr.No.	Name of Director	Name of the Company	Designation
1.	Shri. Nandkishore Sarda	NIL	Not applicable
2.	Smt.Poonam Sarda	NIL	Not applicable
3.	Shri. R.P.Mohanka	Vidarbha Industries Limited.	Independent Director
		Jayaswal Neco Industries Limited	Independent Director
4.	Shri. Harish Dass	Vidarbha Industries Limited.	Independent Director
5.	Shri. Ramesh Mantri	NIL	Not applicable

2.4) List of Core Skills / Expertise/ Competencies of directors

The Company is engaged in one segment i.e. Iron and Steel Industry. A chart setting out the list of core skills/ expertise/competencies as identified by the Board of Directors as required in the context of its business and sector(s) for it to function effectively and those actually available with the Board are as follows:

Sr. No.	Name of Director	Qualification & Experience	Expertise
1.	Shri. Nandkishore Sarda	B.sc Nearly 54 years of experience	Iron & Steel, Strategic Planning, General Management, Production & Operation and Human Resource Management
2.	Smt. Poonam Sarda	C.A (Intermediate), L.L.B Nearly 9 years of experience	Accounting, Finance, Taxation, Corporate Laws, Human Resource Management
3.	Shri. R.P.Mohanka	Chartered Accountant Nearly 48 years of experience	Accounting, Finance, Taxation, Costing, Budgeting, Corporate Laws, Finance Risk Assessment and Management Accounting
4.	Shri. Harish Dass	Mining Engineer Nearly 55 years of experience	Iron and Steel, and Production planning
5.	Shri. Ramesh Mantri	B.com (Final) Nearly 51 years of experience	General Management ,Human Resource Management, Banking and Finance.

2.5) Independent Directors

Your Company's Independent Directors met once during the year without the presence of the Management. Independent Directors discussed matters pertaining to the Company's affairs and shared their views/ suggestions with Chairman & Managing Director and also with the Board of Directors.

The Board of Directors confirm that in the opinion of the Board, all independent directors are independent of the management of the Company and have given declarations as required under the provisions of section 149 (7) of the Companies Act, 2013 stating that they meet the eligibility criteria of independence as laid down under section 149 (6) of the Companies Act, 2013 and SEBI (LODR) Regulations, 2015.

The weblink where details of the Familiarisation programmes imparted to Independent Directors is http://shardaispat.com/investor/policy.

2.6) Code of conduct

Your Company has in place a comprehensive Code of conduct (the Code) applicable to the Senior Executives and the Directors. This code is applicable to Non – executive Directors including Independent Directors to such extent as may be applicable to them depending on their roles and responsibilities. The Code gives guidance and support needed for ethical conduct of business and compliance of law.

A copy of the code has been put on the Company's website (www.shardaispat.com). The code has been circulated to Directors and Senior Executives and its compliance is affirmed by them annually. A declaration signed by the Chairman & Managing Director is given below.

"I hereby confirm that the Company has obtained from all the members of the Board and senior executives, affirmation that they have complied with the code of conduct for Board of Directors and Senior Executives in respect of the financial year 2020-21.

Nandkishore Sarda
Chairman & Managing Director

2.7) Particulars of Directors seeking appointment/reappointment

Details under Regulation 36 (3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 in respect of the Directors seeking appointment/ reappointment at the ensuing Annual General Meeting to be held on 24th September, 2021 are given as under:

Name of Director	Smt. Poonam Sarda
Age	49 years
Qualification	C.A (Intermediate), L.L.B
Date of appointment	21.01.2010
Experience	Nearly 9 years of experience
Terms & Conditions of re-appointment	Smt.Poonam Sarda is a Whole-time Director (designated as Whole-time Director and Chief Financial officer) of the Company, liable to retire by rotation
Remuneration last drawn (including sitting fees, if any)	Rs.30 Lakhs (F.Y.2020-21)
Remuneration/sitting fees proposed to be paid per month, if any)	As per the terms of remuneration approved by the members at the 57th Annual General Meeting of the Company.
Other Directorships	Pachisia Mercantile Limited Asha Agriculture and Property Pvt. Ltd. Navdeep Agriculture & Properties Pvt. Ltd. Sarda Infrastructure Pvt. Ltd. In-link Capital Services Pvt. Ltd. Sharda Auto Industries Limited
Chairman/ Member of Committees	Sharda Ispat Limited Stakeholders Relationship Committee- Member
Shareholding in the Company	1,28,060 Equity Shares
No. of Board Meetings attended/ held during Financial Year 2020-21	5/6
Relationship with Directors	Daughter-in-law of Shri. Nandkishore Sarda, Chairman & Managing Director

3. Committees of the Board

3.1 The details of the Committees of the Board and other related information are provided hereunder:

Audit Committee	**Nomination and Remuneration Commitee**
Shri. Rajendra Prasad Mohanka (Chairman)	Shri. Rajendra Prasad Mohanka (Chairman)
Shri. Harish Dass	Shri. Harish Dass
Shri. Ramesh Mantri	Shri. Ramesh Mantri
Stakeholders Relationship Committee	**Corporate Social Responsibility Committee**
Shri. Harish Dass (Chairman)	Shri. Nandkishore Sarda (Chairman)
Shri. Nandkishore Sarda	Shri. Rajendra Prasad Mohanka
Smt. Poonam Sarda	Shri. Ramesh Mantri

Shri. Amit B.Mundada, Company Secretary, acts as the Secretary to all the Board Committees.

3.2 Meetings of the Board Committees and attendance of the Directors:

Board Committees	Audit Committee	Nomination & Remuneration Committees	Stakeholders Relationship Committee	Corporate Social Responsibility Committee
Meetings held	5	1	2	2
Attendance:				
Shri. Nandkishore Sarda	NA	NA	2	2
Smt. Poonam Sarda	NA	NA	2	NA
Shri. R.P.Mohanka	5	1	NA	2
Shri. Harish Dass	5	1	2	NA
Shri. Ramesh Mantri	5	1	NA	2

3.3 Procedure at Committee Meetings

The Company's procedure relating to Board meetings are applicable to Committee meetings as far as practicable. Each Committee has the authority to engage outside experts, advisors and counsels to the extent it considers appropriate to assist it in discharge of its duties/ function(s). Minutes of the Committee meetings are circulated to the directors and placed at the Board meetings for noting.

3.4 Terms of Reference of Board Committees

Audit Committee

The terms of reference of the audit committee covers all matters specified in Regulation 18 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and also those specified in section 177 of the Companies Act 2013. The Audit Committee of the Company is entrusted with the responsibility to supervise the Company's internal controls and financial reporting process and, inter alia, performs the following functions:

- Overseeing the Company's financial reporting process and disclosure of financial information to ensure that the financial statements are correct, sufficient and credible;

- Reviewing and examining with management the quarterly financial results before submission to the Board;

- Reviewing and examining with management the annual financial statements before submission to the Board and the auditor's report thereon;

- Review management discussion and analysis of financial condition and results of operations.

- Scrutiny of inter-corporate loans and investments made by the Company;

- Reviewing with management the annual financial statements as well as investments made by the unlisted subsidiary companies;

- Reviewing, approving, or subsequently modifying any Related Party Transactions in accordance with the Related Party Transaction Policy of the Company.

- Approving the appointment of Chief Financial officer after assessing the qualifications, experience and background, etc. of the candidate;

- Recommending the appointment, remuneration and terms of appointment of Statutory Auditors of the Company and approval for payment of other services.

- Reviewing and monitoring the auditor's independence and performance and effectiveness of audit process.

- Reviewing management letters / letters of internal control weaknesses issued by the Statutory Auditors.

- Reviewing with management, Statutory Auditors and Internal Auditor, the adequacy of internal control systems.

- Discussing with Statutory Auditors, before the commencement of Audit, on the nature and scope of audit as well as having post-audit discussion to ascertain area of concern, if any.

- Reviewing the adequacy of internal audit function and discussing with Internal Auditor any significant finding and reviewing the progress of corrective actions on such issues.

- Establish a vigil mechanism for directors and employees to report genuine concerns in such manner as may be prescribed.

Nomination & Remuneration Committee

The Nomination & Remuneration Committee is responsible for:

a). Formulation of the criteria for determining the qualifications, positive attributes and independence of a director and recommend to the board of directors a policy relating to, the remuneration of the directors, key managerial personnel and other employees;

b). 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 of directors their appointment and removal;

c). Specify the manner for effective evaluation of performance of Board, its committees and individual directors to be carried out either by the Board, by the Nomination & Remuneration Committee or by an independent external agency and review its implementation and compliance.

d). Devising a policy on diversity of board of directors.

e). Whether to extend or continue the term of appointment of the independent director, on the basis of the report of the performance evaluation of independent directors;

f). Recommend to the board, all remuneration, in whatever form, payable to senior management;

g). Carrying out any other function as is mentioned in the terms of reference of the committee.

Performance Evaluation Criteria for Independent Directors:

Performance evaluation of Independent Directors shall be done on annual basis. The evaluation criteria shall be reviewed by the Nomination and Remuneration Committee of the Board from time to time and shall be subject to the provisions of SEBI (LODR) Regulations, 2015, the Companies Act, 2013 and rules made thereunder and the amendments thereto from time to time.

Remuneration Policy:

The Company's Remuneration Policy is directed onwards rewarding performance based on review of achievements at periodical intervals. The remuneration policy is in consonance with the existing industry practice. The Company's remuneration policy for Directors, Key Managerial Personnel and other employees is available on the website of the Company http://shardaispat.com/investor/policy.

The executive Directors have been paid remuneration as per terms of their appointment. The Non- Executive Directors have been paid sitting fees for meetings of the Board attended by them.

Details of remuneration to Chairman & Managing Director and Whole time Directors are as under: (Rs. In Lakhs)

Name of the Director	Salary	Perquisites & Allowances	Commission	Total	Stock Options granted*
Shri. Nandkishore Sarda	36.00	--	--	36.00	NIL
Smt.Poonam Sarda #	30.00	--	--	30.00	NIL

Also holds the office of CFO.
* No stock options were granted during the year.

Contract period: Shri. Nandkishore Sarda, Chairman & Managing Director- Five years from 01st April, 2017.

Smt.Poonam Sarda, Whole-time Director- Five years from 01st April, 2017.

Details of remuneration to Non-Executive Directors are as under:

Name of the Director	Sitting fees (per meeting)	Total
Shri. R.P. Mohanka	2,000	2,000
Shri. Harish Dass	2,000	2,000
Shri. Ramesh Mantri	2,000	2,000

None of the Non-Executive Directors has any material financial interest in the Company apart from the remuneration by way of fees received by them from the Company during the year.

Stakeholders Relationship Committee

The Stakeholders Relationship Committee considers and resolves the grievances of security holders of the Company and also reviews and monitors/approves share transfers/ duplicate share issues/share transmissions/dematerialization process.

Company Secretary- Shri. Amit B. Mundada is the Compliance officer.

The number of complaints received during the year:	Nil
The number of complaints not solved to the satisfaction of shareholders	None
Number of pending complaints:	None

Corporate Social Responsibility Committee

The role of the Committee is to:

a) Formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the Company in areas or subject, specified in Schedule VII of the Companies Act, 2013;
b) Recommend the amount of expenditure to be incurred on the activities referred to in clause (a) above; and
c) Monitor the Corporate Social Responsibility Policy of the company from time to time.

4. General Body Meetings

The venue, date and time of the last three Annual General Meetings and the details of Special Resolutions passed thereat are as under:

Date	Time	Venue	Special Resolution Passed
11th December,2020	11.00 a.m.	At the corporate office of the Company at Da-rock, Plot no. 230, 6th Floor, Hill Road, Shivaji Nagar, Nagpur-440010	1. To approve the revision in the remuneration of Shri. Nandkishore Sarda, Chairman & Managing Director of the Company
27th September, 2019	10.30 a.m.	At the corporate office of the Company at Da-rock, Plot no. 230, 6th Floor, Hill Road, Shivaji Nagar, Nagpur-440010	1.To reappoint Shri. H.K.Dass as an Independent Director 2. To reappoint Shri. Rajendra Prasad Mohanka as an Independent Director 3. To reappoint Shri. Ramesh Mantri as an Independent Director

			4. To approve the loans, investments, guarantees or security under Section 185 of the Companies Act, 2013
22nd September, 2018	10.00 a.m.	At the corporate office of the Company at Da-rock, Plot no. 230, 6th Floor, Hill Road, Shivaji Nagar, Nagpur-440010.	1. Reclassification of Shareholders from Promoter Group Category to Public Category. 2. Adoption of New set of Memorandum of Association.

Special Resolution(s) passed through Postal Ballot:

During 2020-21, no Special Resolution was passed through Postal Ballot. No Special Resolution is proposed to be passed through Postal Ballot as on the date of this report.

5. Means of communication

Quarterly, half-yearly and annual results are submitted to the stock exchange in accordance with the Listing Regulations and published in Indian Express (English) Loksatta (vernacular) newspapers. The financial results and other relevant information are placed simultaneously on your Company's website- www.shardaispat.com.

6. General shareholder information

Annual General Meeting

Date : 24th September,2021
Time : 11.00 a.m.
Venue: At the corporate office of the Company at Da-rock, Plot no. 230, 6th Floor, Hill Road, Shivaji Nagar, Nagpur-440010

Financial calendar for 2021-22 (tentative)

Financial results for the quarters ended:

30th June, 2021	1st Week of August, 2021
30th September, 2021	1st Week of November, 2021
31st December, 2021	1st Week of February 2022
31st March, 2021	4th Week of May, 2022

Annual General Meeting (for F.Y. 2021-22)	September, 2022
Dividend payment date (For F.Y. 2020-21)	In view of meeting our Company's working capital requirements during the ensuing year, your directors express their inability to recommend any dividend for this year.
Listing on stock exchanges **Equity Shares**	The shares of the Company are listed on the following exchanges: 1. BSE Limited, (513548) Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai- 400001 2. The Calcutta Stock Exchange Association Limited (029292), 7, Lyons Range, Kolkata -700001 ISIN no. NSDL & CDSL-INE385M01012 The security of the Company has been shown as suspended on the Calcutta Stock Exchange Association Limited. The Company has stepped up and is in the process to expel the suspension from Calcutta Stock Exchange. Your Company has paid annual listing fees to the BSE Limited, Mumbai , for the equity shares for the financial year 2020-21.
Registrar and share transfer agents (for physical and electronic)	Adroit Corporate Services Private Limited 18-20, Jafferbhoy Industrial Estate, Makwana Road, Marol Naka, Marol, Andheri (E), Mumbai – 400059
Share Transfer System	In view of the SEBI circular, share transfers in physical have been stopped from 01st April, 2019. However, share transmission, share transposition, name deletion and duplicate share issue activities are continuing for physical shares. Since physical share transfers have been stopped, the member, in their own interest, are requested to get their shareholding dematerialized at an early date.

Market price data: High/low during the year 2020-21

Month	Sharda Ispat Limited on the BSE (in Rs.)	
	High	Low
April, 2020	29.20	24.35
May, 2020	34.65	27.00
June, 2020	35.95	32.30
July, 2020	42.70	31.35
August,2020	41.70	34.85
September,2020	38.70	30.00
October,2020	32.00	23.75
November,2020	37.50	30.55
December,2020	46.10	34.45
January, 2021	92.65	45.50
February,2021	85.60	58.75
March, 2021	61.80	51.15

Comparison of SIL share price movements on BSE Sensex 30 Index



Shareholding pattern as on 31st March, 2021

Sr.No.	Category	No. of Shares	Percentage
1.	Promoter and Promoter Group	38,07,600	75.00
2.	Banks/MFs/FIs/Ins.Cos./NBFCs	0	0.00
3.	Foreign Portfolio Investors	0	0.00
4.	Overseas Corporate Bodies	0	0.00
5.	Bodies Corporate	4,79,830	9.45
6.	Individual NRIs	673	0.01
7.	Resident Individuals	7,71,747	15.20
8.	IEPF Authority	0	0.00
9.	Others	16950	0.34

Distribution of shareholding as on 31st March, 2021

Shareholding of nominal value (Rs.)	Shareholders		Shares	
	Number	% to total	Number	% to total
Up to 5,000	3,104	92.99	4,51,010	8.88
5,001-10,000	134	4.01	1,14,609	2.26
10,001-20,000	37	1.11	60,558	1.19
20,001-30,000	10	0.30	27,172	0.54
30,001-40,000	14	0.42	49,183	0.97
40,001-50,000	1	0.03	5,000	0.10
50,001-1,00,000	7	0.21	55,236	1.09
1,00,001 and above	31	0.93	43,14,032	84.98
Total	**3338**	**100.00**	**50,76,800**	**100.00**

Dematerialization of Shares

Your Company has arrangement with the National Securities Depository Limited (NSDL) and the Central Depository Services (India) Limited (CDSL) for dematerialization of equity shares. As on 31st March,2021 out of the total 50,76,800 equity shares held by about 3,338 (PY 2840) shareholders, 38,21,383 (PY 37,59,800) equity shares held by 943 (PY 432) shareholders representing 75.27% (PY 74.06%) percent of the total paid-up equity capital have been dematerialized. The Promoters are in process to convert their physical shareholding in the company in dematerialized form.

GDR, ADR, Warrants or Conversion Instruments

During the year under review, the Company has not issued Global Depository Receipt, American Depository Receipt, Warrants or any Conversion Instruments.

Hedging of Risks

The Company has in place a Board approved policy which establishes the risk management framework and defines the procedures and controls for effective management of risk's faced by the Company. In respect of price risk of raw materials used for manufacturing purpose, the same is taken care of as per industry requirement. The Company's exposure in none of the commodities, which are sourced for use in its business, is material in the context of its overall operations, and also in terms of the 'policy on Determination of Materiality for Disclosures (s)', as approved by the Board. Accordingly, the disclosure requirements prescribed under the SEBI Circular dated 15th November, 2018 is not applicable to the Company.

Credit Ratings

During the year under review, the Company has not obtained any credit ratings.

Plant Location	Kamptee Road, Nagpur- 440026
Address for correspondence	Regd. Office Kamptee Road, Nagpur- 440026 Ph: 0712-2640071 e-mail: shardaispat.ngp@gmail.com Corporate Office Da-rock, Plot No.230, 6th Floor, Hill Road, Shivaji Nagar, Nagpur-4440026 e-mail: shardaispat.ngp@gmail.com

7. Disclosures

a).Related Party Transactions

During the period under review, the Company had not entered into any material significant related party transactions that may have potential conflict with the interest of the Company.

None of the transactions with any of related parties were in conflict with the Company's interest. Attention of members is drawn to the disclosures of transactions with related parties set out in Note No. 37 of Standalone Financial Statements, forming part of the Annual Report. The Company's major related party transactions are generally with its group companies.

All related party transactions are negotiated on an arm's length basis and are intended to further the Company's interest.

b). Details of non-compliance by the Company, penalties and strictures imposed on the Company by Stock Exchange or SEBI or any statutory authority, on any matter related to capital markets, during the last three years.

During the last three years, the Company has complied with all applicable Acts and Regulations and there was no non-compliance by the Company. No penalties, strictures were imposed on the Company by the Stock Exchange or SEBI or any statutory authority, on any matter related to capital markets.

c). Whistle Blower policy

The Company has put in place a mechanism for reporting illegal or unethical behavior. The Company has a Vigil mechanism under which the employees are free to report violations of applicable laws and regulations and the Code of Conduct. The reportable matters may be disclosed to the head HR or the Compliance Officer who report to the Audit Committee. Employees may also report to the Chairman of the Audit Committee. During the year under review, no employee was denied access to the Audit Committee.

d). Compliance

Financial Statements: The financial statements of the Company have been prepared to comply in all material respects with the Indian Accounting Standards ("Ind AS") notified under the Companies (Accounting Standards) Rules, 2015.

Listing Regulations: There is no non- compliance of any of the requirements of Corporate Governance for the year under review as required under the Listing Regulations.

Apart from the above, the Company has also adopted the discretionary requirements of having unqualified financial statements and the Internal auditor reporting directly to the Audit Committee.

Pursuant to Regulation 15 of SEBI (Listing obligations and Disclosure Requirements) Regulations, 2015, Certain Regulations are applicable to the Company with effect from 21st June, 2021. The Company will comply with the applicable Regulations within six months from the date of applicability.

Pursuant to the requirement of Regulation 30 of the SEBI Listing Regulations, the Company would like to inform that no agreement(s) have been entered with media companies and/or their associates which has resulted/ will result in any kind of shareholding in the Company and consequently any other related disclosures viz., details of nominee(s) of the media companies on the Board of the Company, any

management control or potential conflict of interest arising out of such agreements, etc. are not applicable. The Company has not entered into any other back to back treaties/contracts/ agreements/MoU's or similar instruments with media companies and/or their associates.

Unclaimed Dividend/ transfer of Shares to IEPF: The Company has not declared or paid any dividend. The details of which are given below.

Financial Year	Unpaid/ Unclaimed dividend as on 31.03.2021 (In Rs.)	Date of declaration	Date of transfer to IEPF
2014-15	Nil	N.A	N.A
2015-16	Nil	N.A	N.A
2016-17	Nil	N.A	N.A
2017-18	Nil	N.A	N.A
2018-19	Nil	N.A	N.A
2019-20	Nil	N.A	N.A
2020-21	Nil	N.A	N.A

(N.A – Not Applicable)

e). Material financial & commercial transactions by Senior Management

There were no material financial & commercial transactions by Senior Management as defined in Regulation 26 of the Listing Regulations where they have any personal interest that may have a potential conflict with the interests of the Company at large requiring disclosure by them to the Board of Directors of the Company.

f). Governance Policies

Your Company strives to conduct its business and strengthen relationships in a manner that is dignified, distinctive and responsible. Your Company adheres to ethical standards to ensure integrity, transparency, independence and accountability in dealing with all stakeholders. Accordingly, your Company has adopted various codes and policies to carry out its duties in an ethical manner as named hereunder:

- Code of conduct
- Corporate Social Responsibility Policy
- Vigil Mechanism and Whistle Blower Policy

- Policy for determining Material Subsidiaries
- Code of Conduct for Prohibition of Insider Trading
- Policy for selection of Directors and determining Directors Independence
- Remuneration Policy for Directors, Key Managerial Personnel and other employees
- Policy on Materiality of Related Party Transactions and on Dealing with Related Party Transactions.

g). Web-links

1. Material Subsidiary Policy:
   http://shardaispat.com/wp-content/uploads/2021/08/Policy-for-Determining-Material-Subsidiaries.pdf.

2. Related Party Transaction Policy
   http://shardaispat.com/wp-content/uploads/2021/08/Policy-on-Materiality-of-and-dealing-with-Related-Party-Transaction2.pdf.

3. Other Policies
   http://shardaispat.com/investor/policy

h). The Board has adopted all the recommendations made by the committees of the board during the year.

i). Total fees for all services paid by the Company to the statutory auditor are Rs. 2.50 Lakhs.

j). No complaint pertaining to sexual harassment of women employees was received during the year under Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. Accordingly, there is no information required to be furnished.

k). Disclosures with respect to Demat Suspense Account/ Unclaimed Suspense Account

i) Aggregate no. of shareholders and the outstanding shares in the suspense account lying at the beginning of the year: Nil.
ii) No. of shareholders who approached listed entity for transfer of shares ftrom suspense account during the year: Nil.
iii) No. of shareholders to whom shares were transferred from suspense account during the year: Nil.
iv) Aggregate no. of shareholders and the outstanding shares in the suspense account lying at the end of the year: Nil.

l). Certificate from practicing Company Secretary

Certificate from shri. Sunil Kumar Sharma, Practicing Company Secretaries that none of the directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board/ Ministry of Corporate Affairs or any such statutory authority is as under:

TO WHOMSOEVER IT MAY CONCERN

I, Sunil Kumar Sharma, Practicing Company Secretary do hereby certify that none of the directors on the board of M/s. Sharda Ispat Limited have been debarred or disqualified from being appointed or from continuing as directors of companies by the Securities and Exchange Board of India or Ministry of Corporate Affairs or any such statutory authority to the best of my knowledge.

This certificate is being issued as per Schedule V under Regulation 34(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

For Sunil Kumar Sharma & Associates
Sd/-
Sunil Kumar Sharma
(Proprietor)
M No. 10043
CP No. 12708
UDIN:F010043C000788612

Place: Nagpur
Date: 13.08.2021

Compliance Certificate from the Practicing Company Secretary regarding compliance of conditions of Corporate Governance

To,
The Members of,
Sharda Ispat Limited

We have examined the compliance of conditions of corporate governance by Sharda Ispat Limited ("the Company"), for the year ended 31st March, 2021 as stipulated in SEBI (LODR) Regulations, 2015 and the Listing Agreement of the said Company with Stock Exchanges.

The compliance of conditions 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 of the conditions of the 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 explanations given to us and the representations made by the Directors and the management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the said clause of the Listing Regulations.

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

For Sunil Kumar Sharma & Associates
Sd/-
Sunil Kumar Sharma
(Proprietor)
M No. 10043
CP No. 12708
UDIN:F010043C000788601

Place: Nagpur
Date: 13.08.2021

SHARDA ISPAT LIMITED

Regd. Office: Kamptee Road, Nagpur 440 026

CIN No. L74210MH1960PLC011830

Email: shardaispat.ngp@gmail.com, **Website**: www.shardaispat.com

ATTENDANCE SLIP

I hereby record my presence at the 60th Annual General Meeting held at the Corporate office of the Company at Da-rock ,Plot no.230, 6th Floor, Hill Road, Shivaji Nagar, Nagpur-440010 Maharashtra on Friday, 24th September, 2021 at 11.00 A.M. (IST).

Name of Shareholder_____ Registered Address_____ ----------	DP ID*_____ Client ID*_____ Folio No._____ No. of Shares_____

_____

SIGNATURE OF THE SHAREHOLDER OR PROXY

NOTE: Please fill in this attendance slip and hand it over at the entrance of the meeting hall.

* For shares held in electronic form

Form No. MGT-11
Proxy form
[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]
CIN:L74210MH1960PLC011830

Name of the company: **SHARDA ISPAT LIMITED**
Registered office: Kamptee Road, Nagpur 440026 Maharashtra

Name of the member (s):

Registered address:

E-mail Id:
Folio No/ Client Id:
DP ID:

I/We, being the member (s) of …….. Shares of the above named company, hereby appoint

1. Name: ……
Address:
E-mail Id:
Signature:…….. ., or failing him

2. Name: ……
Address:
E-mail Id:
Signature:……., or failing him

3. Name: ……
Address:
E-mail Id:
Signature:……

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 60th Annual General Meeting of the company, to be held on the 24th day of September, 2021 At 11.00 a.m. at the Corporate office of the Company at Da-rock ,Plot no.230, 6th Floor, Hill Road, Shivaji Nagar, Nagpur-440010 Maharashtra and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.
1. Adoption of Financial statement for the financial year ended March 31, 2021 along with the reports of the Board of Directors and Auditors thereon.
2. Re-appointment of Smt. Poonam Sarda (Retiring Director) as Director.
3. To approve the remuneration of the Cost Auditors for the Financial Year ending March 31, 2022.
4. Authorization under section 186 of the Companies Act, 2013.

Signed this…….. day of…….. 20…

Signature of shareholder :

Signature of Proxy holder(s):

First Proxy holder Second Proxy holder Third Proxy holder

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

Form No. MGT-12
Polling Paper
[Pursuant to section 109 (5) of the Companies Act, 2013 and rule 21(1)(c) of the Companies (Management and Administration) Rules, 2014]

Name of the Company: **SHARDA ISPAT LIMITED**
Registered office: Kamptee Road, Nagpur 440026 Maharashtra

BALLOT PAPER

S No	Particulars	Details
1	Name of the First Named Shareholder (In block letters)	
2	Postal address	
3	Registered folio No. / *Client ID No. (*Applicable to investors holding shares in dematerialized form)	
4	Class of Share	

I hereby exercise my vote in respect of Ordinary/ Special resolutions enumerated below by recording my assent or dissent to the said resolutions in the following manner:

No	Item No.	No. of shares held by me	I assent to the resolution	I dissent from the resolution
1.	Adoption of Financial Statements for the financial year ended March 31, 2021 along with the reports of the Board of Directors and Auditors thereon.			
2.	Re-appointment of Smt. Poonam Sarda (retiring Director) as Director.			
3.	To approve the Remuneration to the Cost Auditor for the Financial Year ending March 31, 2022.			
4.	Authorization under Section 186 of the Companies Act, 2013			

Place:
Date:

(Signature of the shareholder)

…….……..... …… ……

(Signature of First Proxy) (Signature of Second Proxy) (Signature of Third Proxy)

Route Map for the Venue of Annual General Meeting

