

**DEEPTI ALLOY STEEL LIMITED**  
**24<sup>TH</sup> ANNUAL REPORT**  
**2015-16**

## CORPORATE INFORMATION

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**DEEPTI ALLOY STEEL LIMITED**  
[CIN: L27109G]1993PLC018943]

### 24<sup>TH</sup> ANNUAL REPORT 2015-16

<b>BOARD OF DIRECTORS</b>	:	Mr. Parikshit Mahatama Mrs. Sangitaben Jain Mr. Rakeshkumar Ajmera Mr. Narayansinh Chauhan	Whole-time Director Additional Director Director Additional Director
<b>MANAGEMENT TEAM</b>	:	Mr. Darshil Hiranandani Ms. Riddhi Shah	Chief Financial Officer Company Secretary
<b>REGISTERED OFFICE</b>	:	317, Village-Kharval, Taluko-Dharampur, Dist. Valsad	
<b>AUDITORS</b>	:	M/s. Marmik G. Shah & Associates, Chartered Accountants, Ahmedabad	
<b>SECRETARIAL AUDITORS</b>	:	Mrs. Ankita Patel Practicing Company Secretary	
<b>REGISTRAR AND SHARE TRANSFER AGENT</b>	:	Satellite Corporate Services Pvt. Ltd. B-302, Sony Apartment, Opp. St. Judes High School, Off Andheri Kurla Road, Jarimari Sakinaka, Mumbai – 400 072	
<b>WEBSITE</b>	:	<a href="http://www.deeptialloysteel.com">www.deeptialloysteel.com</a>	

**NOTICE OF MEETING**

**NOTICE** is hereby given that the **24<sup>th</sup> ANNUAL GENERAL MEETING** of the Members of **DEEPTI ALLOY STEEL LIMITED** will be held at the Registered Office of the Company situated at 317, Village-Kharval, Taluko-Dharampur, Dist. Valsad- 396 050 on Wednesday, August 10, 2016 at 04:00 P.M. to transact the following businesses:

**ORDINARY BUSINESSES:-**

1. To receive, consider and adopt:
  - a. Audited standalone financial statement of account for the financial year ended on March 31, 2016 together with the reports of the Board of Directors' and the Auditors' thereon and
  - b. Audited Consolidated Financial Statements of the Company for the Financial Year ended March 31, 2016, together with the report of the Auditors' thereon.
2. To appoint a Director in place of Mr. Parikshit Mahatma (DIN: 01599675), Whole-time Director of the Company, who retires by rotation and being eligible, offers himself for re-appointment.
3. Appointment of Statutory Auditor and to fix their remuneration.

**"RESOLVED THAT** pursuant to provisions of Section 139 and other applicable provisions of the Companies Act 2013, and the Rules framed there under, M/s. Marmik G Shah & Associates, Chartered Accountants, Ahmedabad [FRN: 135024W] be and are hereby appointed as the Statutory Auditors of the Company to hold office from the conclusion of 24<sup>th</sup> Annual General Meeting till the conclusion of 29<sup>th</sup> Annual General Meeting (subject to ratification of appointment at every subsequent Annual General Meeting) at a remuneration as may be decided by the Board of Directors in consultation with them, apart from out-of-pocket expenses that may be incurred by them for the purpose of audit."

**SPECIAL BUSINESSES:-**

4. **Appointment cum Ratification of appointment of M/s. Marmik G Shah & Associates, Chartered Accountants, Ahmedabad for the Financial Year 2015-16.**

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 139(8) and other applicable provisions, if any, of the Companies Act, 2013 as amended from time to time or any other law for the time being in force (including any statutory modification or amendment thereto or re-enactment thereof for the time being in force), approval of members of the Company be and is hereby accorded for the appointment cum ratification of appointment of M/s. Marmik G Shah & Associates, Chartered Accountants, Ahmedabad as Statutory Auditors of the Company, in place of M/s. Ladha & Associates, Chartered Accountants, Ahmedabad, who have tendered their resignation, and that they shall be responsible to carry out statutory audit of the Company for the Financial Year 2015-16 at the remuneration as may be decided by the Board of Directors in consultation with the Statutory Auditors.

5. **Appointment of Mr. Parikshit Mahatma as a Whole - time Director of the Company.**

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 196, 197, 198, 203 and other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification or re-enactment thereof for the time being in force) read with Schedule V of the Companies Act, 2013 and applicable article of the Articles of Associations of the Company and subject to such consent(s), approval(s) and permission(s) as may be required in this regard and subject to such condition as may be imposed by any authority while granting such consent(s), approval(s) and permission(s) and on recommendation of the Nomination and Remuneration Committee and as agreed by the Board of Directors (herein after referred to as the "Board" which term shall, unless repugnant to the context by the Board in this behalf, be deemed to include the Nomination and Remuneration Committee of the Board) approval of the members of the Company be and is hereby accorded to the appointment of Mr. Parikshit Mahatma as Whole-time Director of the Company, for a period of 5 years with effect from March 11, 2016 to March 10, 2021 on the terms and conditions including the remuneration as set out in the Statement annexed to the Notice convening this meeting, with liberty to the Board of Directors of the Company to alter and vary the terms and conditions of the said appointment and / or remuneration it may and as may be acceptable to Mr. Parikshit Mahatma,

subject to the same not exceeding the limits specified under Schedule V of the Companies Act, 2013 or any statutory modification(s) or re-enactment thereof.

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

#### **6. Appointment of Mrs. Sangitaben Jain as a Non-Executive Director of the Company.**

To consider and if thought fit, to pass with or without modification(s), if any, the following resolution as an **ORDINARY RESOLUTION**:

**“RESOLVED THAT** pursuant to the provisions of Sections 152, 161 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules framed thereunder (including any statutory modification or re-enactment thereof for the time being in force) Mrs. Sangitaben Jain (DIN: 01923253), who was appointed by the Board of Directors as an Additional Director of the Company with effect from March 11, 2016 and whose term of office expires at this Annual General Meeting of the Company, and in respect of whom the Company has received a notice in writing from the heralongwith the deposit of requisite amount under Section 160 of the Companies Act, 2013 proposing her candidature for the office of Director, be and is hereby appointed as a Non – Executive Director of the Company, liable to retire by rotation.”

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

#### **7. Appointment of Mr. Narayansinh Chauhan as an Independent Director of the Company.**

To consider and if thought fit, to pass with or without modification(s), if any, the following resolution as an **ORDINARY RESOLUTION**:

**“RESOLVED THAT** pursuant to the provisions of Sections 149 and 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), Mr. Narayansinh Chauhan (DIN: 07424417), who was appointed as an Additional Director of the Company in terms of Section 161 of the Act and whose term of office expires as on this Meeting and who qualifies for being appointed as an Independent Director and in respect of whom the Company has received a notice in writing under Section 160 of the Act from a member proposing his candidature for the office of Independent Director, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation, to hold office for a term of 5 (five) consecutive years i.e. up to March 10, 2021.”

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

#### **Registered Office**

317, Village-Kharval, Taluko-Dharampur,  
Dist. Valsad - 396 050

**Place:** Valsad

**Date:** July 09, 2016

**By order of the Board**  
For, **Deepthi Alloy Steel Limited**

**Parikshit Mahatma**  
**Whole time Director**  
**DIN: 01599675**

#### **Notes:**

1. The relative Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 (“Act”) setting out material facts concerning the businesses covered under Item No. 3 to 7 of the Notice, is annexed hereto. The relevant details, as required under Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”), of the person seeking re-appointment/ appointment as Director under Item Nos. 5 to 7 of the Notice, are also annexed.
2. **A Member entitled to attend and vote at the Annual General Meeting (AGM) is entitled to appoint a proxy to attend and vote instead of himself and the proxy need not be a Member of the Company.**

A person can act as proxy on behalf of Members not exceeding 50 (fifty) and holding in the aggregate not more than 10% of the total share capital of the Company. In case a proxy is proposed to be appointed by a Member holding more than 10% of the total share capital of the Company carrying voting rights, then such proxy shall not act as a proxy for any other person or shareholder.

The instrument appointing the proxy, in order to be effective, must be deposited at the Company's Registered Office, duly completed and signed, not less than 48 (Forty-Eight) Hours before the commencement of the AGM. Proxies submitted on behalf of limited companies, societies etc., must be supported by appropriate resolutions / authority, as applicable.

During the period beginning 24 hours before the time fixed for the commencement of Meeting and ending with the conclusion of the Meeting, a Member would be entitled to inspect the proxies lodged at any time during the business hours of the company.

3. Members/Proxies should bring their Attendance slip duly completed for attending the meeting. The signature of the attendance slip should match with the signature(s) registered with the Company. Members holding shares in dematerialized form are requested to bring their Client ID and DP ID numbers for identification.
4. Corporate members intending to send their authorized representatives to attend the meeting are requested to send a certified copy of the board resolution authorizing their representative to attend and vote on their behalf at the meeting.
5. In case of joint holders attending the meeting together, only whose name appearing first will be entitled to vote.
6. The Register of Members and Share Transfer Books of the Company will be closed from Saturday, August 6, 2016 to Wednesday, August 10, 2016 (both days inclusive) and same will be re-opened from Thursday, August 11, 2016 onwards.
7. The route map showing directions to reach the venue of the twenty-fourth AGM is uploaded on the website of the Company.
8. To prevent fraudulent transactions, members are advised to exercise due diligence and notify the Company of any change in address or demise of any member as soon as possible. Members are also advised not to leave their demat account(s) dormant for long period of time. Periodic statement of holdings should be obtained from the concerned Depository Participant and holdings should be verified.
9. Members holding shares in dematerialized form are requested to intimate all changes pertaining to their bank details such as bank account number, name of the bank and branch details, MICR code and IFSC code, mandates, nominations, power of attorney, change of address, change of name, e-mail address, contact numbers, etc., to their depository participant (DP). Changes intimated to the DP will then be automatically reflected in the Company's records which will help the Company and the Company's Registrars and Transfer Agents, M/s. Satellite Corporate Services Private Limited to provide efficient and better services. Members holding shares in physical form are requested to intimate such changes to M/s. Satellite Corporate Services Private Limited.
10. The Securities and Exchange Board of India ("SEBI") has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their depository participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to M/s. Satellite Corporate Services Private Limited.
11. Members holding shares in physical form are requested to consider converting their holdings to dematerialized form to eliminate all risks associated with physical shares and for ease of portfolio management. Members can contact M/s. Satellite Corporate Services Private Limited for assistance in this regard.
12. Members holding shares in physical form, in identical order of names, in more than one folio are requested to send to M/s. Satellite Corporate Services Private Limited, the details of such folios together with the share certificates for consolidating their holdings in one folio. A consolidated share certificate will be issued to such Members after making requisite changes.
13. As per the provisions of Section 72 of the Act, the facility for making nomination is available for the Members in respect of the shares held by them. Members who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13. The Nomination Form can be obtained from the M/s. Satellite Corporate Services Private Limited. Members holding shares in physical form may

submit the same to M/s. Satellite Corporate Services Private Limited. Members holding shares in electronic form may submit the same to their respective depository participant.

14. The Company is concerned about the environment and utilizes natural resources in a sustainable way. We request every member to update their email address with concerned Depository Participant and M/s. Satellite Corporate Services Private Limited to enable us to send you the communications via email.
15. The Notice of the AGM along with the Annual Report 2015-16 is being sent by electronic mode to those Members whose e-mail addresses are registered with the Company / Depositories, unless any Member has requested for a physical copy of the same. For Members who have not registered their e-mail addresses, physical copies are being sent by the permitted mode. Members may note that this Notice and the Annual Report 2015-16 will also be available on the Company's website viz. [www.deeptialloysteel.com](http://www.deeptialloysteel.com).
16. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Companies Act, 2013, will be available for inspection by the members at the Annual General Meeting.
17. The Register of Contracts or Arrangements in which Directors are interested, maintained under Section 189 of the Companies Act, 2013, will be available for inspection by the members at the Annual General Meeting.
18. Members seeking any information with regard to the accounts are requested to write to the Company at an early date, so as to enable the Management to keep the information ready at the Annual General Meeting.

#### **19. Voting through electronic means**

- I. In compliance with provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 as substituted by the Companies (Management and Administration) Amendment Rules, 2015 ('Amended Rules 2015') and provisions of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, the Company is pleased to provide members facility to exercise their right to vote on resolutions proposed to be considered at the 24<sup>th</sup> Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM ("remote e-voting") will be provided by National Securities Depository Limited (NSDL).
- II. The facility for voting through ballot paper shall be made available at the AGM and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through ballot paper.
- III. The members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.
- IV. The remote e-voting period commences on Sunday, August 7, 2016 (9:00 a.m.) and ends on Tuesday, August 9, 2016 (5:00 p.m.). During this period members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of Friday, August 5, 2016, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.
- V. The process and manner for remote e-voting are as under:
  - A. In case a Member receives an email from NSDL [for members whose email IDs are registered with the Company/Depository Participant(s)]:
    - i. Open email and open PDF file viz; "Deepti Alloy remote e-voting.pdf" with your Client ID or Folio No. as password. The said PDF file contains your user ID and password/PIN for remote e-voting. Please note that the password is an initial password.
    - ii. Launch internet browser by typing the following URL: <https://www.evoting.nsdl.com>
    - iii. Click on Shareholder – Login.
    - iv. Put user ID and password as initial password/PIN noted in step (i) above. Click Login.
    - v. Password change menu appears. Change the password/PIN with new password of your choice with minimum 8 digits/characters or combination thereof. Note new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

- vi. Home page of remote e-voting opens. Click on remote e-voting: Active Voting Cycles.
  - vii. Select "REVEN" of Deepti Alloy Steel Limited.
  - viii. Now you are ready for remote e-voting as Cast Vote page opens.
  - ix. Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.
  - x. Upon confirmation, the message "Vote cast successfully" will be displayed.
  - xi. Once you have voted on the resolution, you will not be allowed to modify your vote.
  - xii. 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. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail to [investor.deepti@gmail.com](mailto:investor.deepti@gmail.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)
- B. In case a Member receives physical copy of the Notice of AGM [for members whose email IDs are not registered with the Company/ Depository Participants(s) or requesting physical copy] :
- i. Initial password is provided as below/at the bottom of the Attendance Slip for the AGM:
 

<b>REVEN (Remote e-voting Event Number)</b>	<b>USER ID</b>
<b>PASSWORD/PIN</b>	
  - ii. Please follow all steps from Sl. No. (ii) to Sl. No. (xii) above, to cast vote.
- VI. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Members and remote e-voting user manual for Members available at the download section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on toll free no.: 1800-222-990.
- VII. If you are already registered with NSDL for remote e-voting then you can use your existing user ID and password/PIN for casting your vote.
- VIII. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).
- IX. The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of Friday, August 5, 2016.
- X. Any person, who acquires shares of the Company and become member of the Company after dispatch of the Notice of AGM and holding shares as of the cut-off date i.e. Friday, August 5, 2016, may obtain the login ID and password by sending a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in). 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" option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
- XI. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM through ballot paper.
- XII. Mr. AnandLavingia, Practicing Company Secretary (COP No. 11410) has been appointed as the Scrutinizer to scrutinize the voting and remote e-voting process in a fair and transparent manner.
- XIII. The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of ballot paper for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.
- XIV. The Scrutinizer shall after the conclusion of voting at the AGM, will 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.
- XV. The Results declared along with the report of the Scrutinizer shall be placed on the website of the Company [www.deeptialloysteel.com](http://www.deeptialloysteel.com) and on the website of NSDL immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to the BSE Limited, Mumbai.

**Annexure to Notice****Explanatory Statement pursuant to Section 102 of the Companies Act, 2013****Item No. 3 & 4:**

In the previous Annual General Meeting held on September 30, 2015, the Members of the Company had appointed M/s. Ladha& Associates, Chartered Accountants, as a Statutory Auditors of the Company to hold office as such till the conclusion of 28<sup>th</sup> Annual General Meeting. However, M/s. Ladha& Associates have tendered their resignations showing their unwillingness to act as Statutory Auditors, due to their pre-occupation with other assignments.

The resignation of auditor is considered as Casual Vacancy, as provided under Section 139(8) of the Companies Act, 2013. Further, Section provides that where such casual vacancy arises due to resignation of the existing Auditor of the Company, the said vacancy shall be filled by the Board within 30 days of arising of such casual vacancy. On the recommendation of the Board, such appointment shall be approved by the members within three months of the recommendation of the Board of Directors.

The Company has approached M/s. Marmik G Shah& Associates, Chartered Accountants, Ahmedabad for acting as Statutory Auditor of the Company. Accordingly, M/s. Marmik G Shah& Associates, Chartered Accountants, Ahmedabad has shown their willingness to act as a Statutory Auditor of the Company and gave their eligibility certificate under Section 141 of the Companies Act, 2013.

Accordingly, the Board of the Directors in their meeting held on May 16, 2016 has appointed M/s. Marmik G Shah & Associates, Chartered Accountants, Ahmedabad as the Statutory Auditors of the Company for the Financial Year 2015-16 to fill the Casual Vacancy caused by the resignation of M/s. Ladha& Associates, Chartered Accountants, Ahmedabad. Therefore the Board of Directors of the Company recommends Resolution proposed in item no. 4 for appointment cum ratification of appointment of M/s. Marmik G Shah & Associates, Chartered Accountants, Ahmedabad as the Statutory Auditors of the Company for the Financial Year 2015-16.

Further, the Board of Directors on recommendation of the Audit Committee has recommended the appointment of M/s. Marmik G Shah& Associates, Chartered Accountants, Ahmedabad as Statutory Auditor of the Company to hold office from conclusion of ensuing Annual General Meeting till the conclusion of 29<sup>th</sup> Annual General Meeting, subject to approval of the Members at the every subsequent Annual General meeting of the Company held after ensuing Annual General Meeting. Accordingly, the Board has proposed their appointment and recommends Resolution proposed in Item no. 3 for members' approval.

None of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the resolution set out at item No. 3 & 4.

**Item No. 5:**

The Board of Directors, on the recommendation of Nomination and Remuneration Committee, vide resolution passed in their meeting held on March 11, 2016 approved the appointment Mr. Parikshit Mahatma as the Whole-Time Director with effect from March 11, 2016 in accordance with the provisions contained in Section 196 and 197 read with Section 203 of the Companies Act, 2013.

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

The main terms and conditions of his reappointment and remuneration of Whole-time Director are as under:

**I. Remuneration:****A. Salary:**

The Whole-time Director shall be entitled to salary of Rs. 20,000/- per month. The Whole-time Director shall be entitled to reimbursement of expenses incurred by him in connection with the business of the Company.

As per the provisions of Sections 196, 197, 203 and all other applicable provisions, if any, of the Companies Act, 2013, approval of Whole-Time Director shall require approval of the members in General Meeting.

Brief resume and other details of the Whole-time Director whose appointment is proposed are provided in the annexure to the Explanatory Statement attached herewith.

Save and except Mr. Parikshit Mahatma and their relatives to the extent their shareholding in the Company, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the resolution set out at item No. 5.



**Item No. 6:**

Pursuant to provisions of Section 152 of the Companies Act, 2013 and pursuant to the Articles of Association of the Company, the Board of Directors of the Company appointed Mrs. SangitabenJain as an Additional Director with effect from March 11, 2016. Mrs. SangitabenJain is a Non-Executive Woman Director on the Board of the Company.

Pursuant to provisions of Section 152 of the Companies Act, 2013, Mrs. SangitabenJain holds office upto the date of ensuing Annual General Meeting of the Company. A notice has been received from her along with deposit of requisite amount under Section 160 of the Companies Act, 2013 (hereinafter referred as Act) proposing her candidature as appointment as a Director of the Company.

Mrs. SangitabenJain is not disqualified from being appointed as Director in terms of section 164 of the Act and has given her consent to act as Director. Mrs. Sangitaben Jain possesses appropriate skills, experience and knowledge in the field of Finance. Brief resume and other details of Mrs. Sangitaben Jain are provided in the annexure to the Explanatory Statement attached herewith.

Keeping in view of her vast experience and knowledge, the Board considers that her association would be of immense benefit to the Company and it is desirable to continue to avail the services of Mrs. Sangitaben Jain as a Non-Executive Director.

Save and except Mrs. Sangitaben Jain and their relatives to the extent their shareholding in the Company, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the resolution set out at item No. 6.

**Item No. 7:**

Pursuant to provisions of Section 161 of the Companies Act, 2013 and pursuant to the Articles of Association of the Company, the Board of Directors of the Company has appointed Mr. Narayansinh Chauhan as an Additional Director with effect from March 11, 2016. Mr. Narayansinh Chauhan is an Independent Director on the Board of the Company.

Pursuant to provisions of Section 161 of the Companies Act, 2013, Mr. Narayansinh Chauhan holds office upto the date of ensuing Annual General Meeting of the Company. A notice has been received from him along with deposit of requisite amount under Section 160 of the Companies Act, 2013 proposing his candidature for appointment as an Independent Director of the Company.

Mr. Narayansinh Chauhan is not disqualified from being appointed as Director in terms of section 164 of the Act and has given his consent to act as an Independent Director. Section 149 of the Act, inter alia, stipulates the criteria of independence. As per the provisions of the said section, an Independent Director can hold office for a term up to five consecutive years on the Board of a Company and he shall not be included in determining the total number of Directors liable to retire by rotation.

The Company has received a declaration from Mr. Narayansinh Chauhan that he meets with criteria of independence as prescribed under section 149 of the Companies Act, 2013. Mr. Narayansinh Chauhan possesses appropriate skills, experience and knowledge in the field of Law and Administration. Brief resume of Mr. Narayansinh Chauhan, nature of his expertise in specific functional areas and names of the Companies in which he holds directorships and memberships / chairperson of the Board / Committees and shareholding are provided in the annexure to the explanatory statement attached herewith.

In the opinion of the Board, Mr. Narayansinh Chauhan fulfills the conditions specified in the Act and rules made thereunder for his appointment as an Independent Director of the Company.

Keeping in view of his experience and knowledge, the Board considers that his association would be of immense benefit to the Company and it is desirable to continue to avail the services of Mr. Narayansinh Chauhan as an Independent Director.

Save and except Mr. Narayansinh Chauhan and their relatives to the extent their shareholding in the Company, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the resolution set out at item No. 7.

**Registered Office**

317, Village-Kharval, Taluko - Dharampur,  
Dist. Valsad - 396 050

**Place:** Valsad

**Date:** July 09, 2016

**By order of the Board**  
For, **Deepti Alloy Steel Limited**

**Parikshit Mahatma**  
**Whole time Director**  
**DIN: 01599675**

**ANNEXURE TO THE NOTICE**

Details of Directors Seeking appointment / re-appointment in this Annual General Meeting:

<b>Name of Director</b>	<b>Mr. Parikshit Mahatma</b>	<b>Mrs. Sangitaben Jain</b>	<b>Mr. Narayansinh Chauhan</b>
<b>Date of Birth</b>	20/03/1980	03/01/1967	10/07/1945
<b>Date of Appointment</b>	11/03/2016	11/03/2016	11/03/2016
<b>Qualifications</b>	Master of International Business	Bachelor of Commerce	LL.M. (Master of Law)
<b>Expertise in Specific Functional Areas</b>	Management	Finance	Law and Administration
<b>List of Public Limited Companies in which Directorships held</b>	-	1. Wynad Estate and Industries Ltd.; 2. Galaxy Consolidated Finance Ltd.	1. Wynad Estate and Industries Ltd.; 2. Gujarat Inject Kerela Ltd.
<b>Chairman / Member of the Committees* of the Board of Directors of the Company</b>	-	Member – 6 Committees	Member – 3 Committees Chairman – 3 Committee
<b>Shareholding in the Company</b>	4,16,980 Equity Shares of Rs. 10/- each.	3,88,440 Equity Shares of Rs. 10/- each.	Nil

\*Committee includes the Audit Committee and Stakeholders' Grievance Committee

## DIRECTORS' REPORT

To,

The Shareholders,

The Directors have the pleasure of presenting the 24<sup>th</sup> Annual Report of your Company with the Audited Financial Statements of the Company for the year ended March 31, 2016.

### Financial Results

(Rs. In lakhs)

Particulars	Standalone		Consolidated	
	2015-16	2014-15	2015-16	2014-15
Revenue from Operations	42.02	19.89	3,323.60	-
Other Income	2.26	-	64.08	-
Total Revenue	44.28	19.89	3,387.68	-
Less: Total Expenses	44.09	13.37	3,355.89	-
Operating Profits before Exception item, Depreciation, Interest and Tax	0.19	6.52	31.79	-
Less: Depreciation	3.94	3.94	4.33	-
Interest	0.27	0.52	0.29	-
Profit / (Loss) Before Tax	(4.02)	2.06	27.17	-
Less : Exceptional Items	4.22	-	4.21	-
Less: Current Tax	-	0.64	9.68	-
Less : Deferred Tax	-	-	0.10	-
Profit / (Loss) after Tax	(8.24)	1.42	13.18	-

### Review of Business Operation

On standalone basis, revenue from operations for FY 2015-16 was Rs. 42.02 Lakhs compared to the Revenue from operations of Rs. 19.89 Lakhs of previous year which shows uptrend about 111% over the previous year. However, the Company has incurred Loss before tax for the financial year 2015-16 of Rs. 4.02 Lakhs as against profit before tax of Rs. 2.06 Lakhs of previous year making Net Loss after Tax for the financial year 2015-16 of Rs. 8.24 Lakhs as against Net Profit after tax of Rs. 1.42 Lakhs of Previous year.

On consolidated basis, revenue from operations for FY 2015-16 was Rs. 3323.60 Lakhs. The Profit before tax of the Company for the financial year 2015-16 stood at Rs. 27.17 Lakhs making Net Profit after Tax for the financial year 2015-16 of Rs. 13.18 Lakhs.

### Dividend

To conserve resources for future prospect and growth of the Company, your Directors regret to declare Dividend for the Financial Year 2015-16 (Previous year - Nil).

### Net Profit Transfer to Reserve

The Company has not transferred any amount to any reserves of the Company and carry standalone loss / consolidated profit to the result and surplus account.

### Subsidiary Companies

During the year the Company has made investments of Rs. 30,70,500/- (Rs. Thirty Lakhs Seventy thousand and five hundreds only) in M/s. Shankheshwer Infraproject Private Limited by acquiring 10,000 Equity Shares of Rs. 10/- each (100% stake) at price of Rs. 307.05/- per Equity Share and making M/s. Shankheshwer Infraproject Private Limited as wholly owned Subsidiary of the Company.

Pursuant to provisions of section 129(3) of the Act, a statement containing salient features of the financial statements of the Company's subsidiaries in Form AOC-1 as attached as an "**Annexure - A**" to this report. Further, pursuant to the provisions of section 136 of the Act, the financial statements of the Company, consolidated financial statements along with relevant documents and separate audited accounts in respect of subsidiaries, are available on the website of the Company.

### Performance of Subsidiary Companies:

Due to acquisition of 100% of M/s. Shankheshwer Infraproject Private Limited, it became wholly-owned subsidiary of the Company. During the Financial Year 2015-16 it has earned a total revenue of Rs. 33,43,39,523/- in comparison of Rs. 28,87,69,021/- for the Financial Year 2014-15 moving upward by 15.78%.

The net profit of M/s. Shankheshwer Infraproject Private Limited stood at Rs. 21,13,035/- for the Financial Year 2015-16 as against net profit of Rs. 19,80,534/- for the Financial Year 2014-15 moving upward by 6.69%.

**Information of Board of Directors, and Its Meetings:**

**a. Composition and Category of Directors on date of this report is:**

<b>Name of Directors</b>	<b>Category of Directorship</b>	<b>No. of other Directorship*</b>	<b>No. of Committee Membership / Chairmanship in other Companies</b>	<b>No. of Board Meetings attended during 2015-16</b>	<b>Attendance at the AGM held on 30-09-2015</b>
Mr. Parikshit Mahatama*	Whole-time Director (Professional)	19	-	1	N. A.
Mrs. Sangitaben Jain	Non-Executive Director (Professional)	4	M - 6	1	N.A.
Mr. Rakesh Ajmera	Independent Director (Professional)	3	C - 2	10	Yes
Mr. Narayansinh Chauhan	Independent Director (Professional)	2	M - 3 C - 3	1	N.A.
Mr. Rameshchandra Agrawal#	Managing Director	Nil	-	10	Yes
Mrs. Manju Agrawal#	Director	Nil	-	10	Yes
Mr. Manish Bhadviya#	Independent Director (Professional)	3	-	10	Yes

\* Excluding Directorship held in the Company.

# Mr. Rameshchandra Agrawal, Mrs. Manju Agrawal and Mr. Manish Bhadviya resigned from the Board w.e.f. March 15, 2016.

The Board of Directors of the Company consists of four (4) Directors as on March 31, 2016, one (1) of whom is Whole-time Director, one (1) is Non-Executive Director and two (2) are Non-Executive Independent Directors. All the Directors of the Company are Professional Directors. Further, Mrs. Sangitaben N. Jain, a Non-Executive Director of the Company, is designated as Woman Director for the Company in terms of second proviso to the Section 149 (1) of the Companies Act, 2013. The Composition of Board fulfils the regulatory requirements.

**Board Meetings**

Regular meetings of the Board are held at least once in a quarter. Additional Board meetings are convened to discuss and decide on various business policies, strategies and other businesses.

During the year under review, Board of Directors of the Company met 10 times, viz April 22, 2015, May 30, 2015, August 1, 2015, August 14, 2015, August 25, 2015, September 04, 2015, November 3, 2015, February 11, 2016, February 24, 2016 and March 11, 2016. The gap between two consecutive meetings was not more than one hundred and twenty days as provided in section 173 of the Act.

The Independent Directors of the Company has met one time on March 11, 2016, inter alia, to evaluate the performance of Non-Independent Directors, Board as a whole and performance of Chairman of the Company.

**Information of Committee and Its Meetings**

Your Company has formed following Committees of the Board in accordance with Companies Act, 2013:

**a. Audit Committee**

**Meetings, Composition and Attendance:**

The Audit Committee met five times during the financial year 2015-16 on May 30, 2015, August 14, 2015, September 04, 2015, November 03, 2015 and February 11, 2016.

The Audit Committee comprises of three Directors and two of them are Independent Directors. The composition of the Audit Committee as on March 31, 2016 and details of the attendance of the members of the committee at the meetings of the Committee are as under:

Name of the Director	Category	Designation	No. of Meetings Attended
Mr. Rakesh Ajmera	Independent Director	Chairman	5
Mr. Narayansinh Chauhan#	Independent Director	Member	N. A.
Mr. Parikshit Mahatama#	Whole-time Director	Member	N. A.
Mr. Manish Bhadviya*	Independent Director	Member	5
Mr. Rameshchandra Agrawal*	Managing Director	Member	5

# w.e.f. March 11, 2016.

\* up to March 11, 2016.

The Statutory Auditors of the Company are invited in the meeting of the Committee wherever required. Company Secretary of the Company is acting as a secretary to the Committee.

### **b. Stakeholders' Grievances and Relationship Committee**

#### **Composition**

The Stakeholder's Grievances & Relationship Committee comprises of three members as on March 31, 2016. Mr. Rakesh Ajmera as the Chairman of the Committee, Mr. Narayansinh Chauhan and Mr. Parikshit Mahatma as members. Company Secretary of the Company is acting as a secretary to the Committee.

#### **Meeting(s) and attendance**

During the year under review, four meetings were held on May 30, 2015, August 14, 2015, November 03, 2015 and February 11, 2016. Details of attendance of each member of the Committee are as under:

Name of the Director	Category	Designation	No. of Meetings Attended
Mr. Rakesh Ajmera	Independent Director	Chairman	4
Mr. Narayansinh Chauhan#	Independent Director	Member	N. A.
Mr. Parikshit Mahatama#	Whole-time Director	Member	N. A.
Mr. Manish Bhadviya*	Independent Director	Member	4
Mr. Rameshchandra Agrawal*	Managing Director	Member	4

# w.e.f. March 11, 2016.

\* up to March 11, 2016.

#### **Complaint**

During the year, the Company had not received any complaints from the Shareholders. There was no complaint pending as on March 31, 2016.

### **c. Nomination and Remuneration Committee**

#### **Composition**

The Remuneration Committee comprises of three Non-executive directors two of them are Independent Director viz. Mr. Rakesh Ajmera - Chairman, Mr. Narayansinh Chauhan and Mrs. Sangitaben Jain as members.

#### **Meeting and Attendance**

During the period under review, three Nomination and Remuneration Committee meetings were held respectively on August 01, 2015, September 04, 2015 and March 11, 2016. Details of attendance of each member of the Committee are as under:

Name of the Director	Category	Designation	No. of Meetings Attended
Mr. Rakesh Kumar Ajmera	Independent Director	Chairman	3
Mr. Narayansinh Chauhan#	Independent Director	Member	N. A.
Mrs. Sangitaben Jain#	Non - Executive Director	Member	N. A.
Mr. Manish Bhadviya*	Independent Director	Chairman	3
Mrs. Manju Agrawal*	Executive Director	Member	3

# w.e.f. March 11, 2016.

\* up to March 11, 2016.

### **Appointment, Re-appointment and Resignation of Directors**

During the year, in terms of Section 149 & 152 of the Companies Act, 2013, the Board of Directors in their Meeting held on March 11, 2016 has appointed Mr. Narayansinh Chauhan as an Non-Executive Independent Director and Mrs. Sangitaben Jain as Non-Executive Director of the Company. Further, pursuant to provisions of Section 161 of the Companies Act, 2013, Mr. Narayansinh Chauhan and Mrs. Sangitaben Jain holds office up to the date of ensuing Annual General Meeting of the Company. The Board of Directors of the Company recommended their Appointment on the Board of the Company and resolution to that effect has been proposed in the Notice convening the 24<sup>th</sup> Annual General Meeting of Members of the Company.

Further, Mr. Parikshit Mahatma was appointed as Whole-time Director of the Company to hold office for a period up to March 10, 2021. Pursuant to Section 196 of the Companies Act, 2013 the appointment of Whole-time Director requires the approval of members in the General Meeting and hence on the recommendation of the Board the resolution to that effect has been proposed for the approval of his appointment as a Whole – Time Director of the Company has been proposed in the Notice convening the 24<sup>th</sup> Annual General Meeting of Members of the Company.

Mr. Ramesh Agrawal, Managing Director, Mrs. Manju Agrawal and Mr. Manish Bhadviya, Directors of the Company had resigned from the Board of the Company w.e.f. March 15, 2016. The Board places on record their appreciations for their efforts in the success of the Company.

None of the Directors of the Company is disqualified for being appointed as Director as specified in Section 164 (2) of the Companies Act, 2013.

Details of the Directors seeking Appointment in this Annual General Meeting is provided elsewhere in the 24<sup>th</sup> Annual Report:

### **Declaration by Independent Directors**

The Company has received necessary declaration from each Independent Director under Section 149(7) of the Companies Act, 2013, to the effect that they meet the criteria of independence laid down in Section 149(6) of the Companies Act, 2013. The Terms and Conditions for Appointment of Independent Directors and Code for Appointment of Independent Directors are incorporated on the website of the Company at [www.deeptialloysteel.com](http://www.deeptialloysteel.com).

### **Details of Key Managerial Personnel**

Mr. Parikshit Mahatma, Whole-time Director is the Key Managerial Personnel (“KMP”) as per the provisions of the Companies Act, 2013. He has been appointed as such by the Board of Directors w.e.f. March 11, 2016.

Further, Ms. Riddhi N. Shah is acting as a Company Secretary of the Company and Mr. Darshil A Hiranandani is acting as the Chief Financial Officer of the Company.

Mr. Niraj Jain, Company Secretary of the Company has resigned from the office w.e.f. July, 06, 2015.

### **Nomination and Remuneration Policy**

In terms of the provisions of the Companies Act, 2013 the Company has devised a policy on Nomination and Remuneration of Directors, Key Managerial Personnel and Senior Management and the said policy has been incorporated on the website of the Company i.e. [www.deeptialloysteel.com](http://www.deeptialloysteel.com).

Policy on Appointment of Directors, Key Managerial Personnel and Senior Management Personnel:

The policy is formulated to identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, KMP and Senior Management personnel and recommend to the Board for his / her appointment.

Policy on remuneration of Director, KMP and Senior Management Personnel:

The Company follows mixed of fixed pay, benefits and performance based variable pay. The Company pays remuneration by way of salary. The remuneration paid by the Company is within the salary scale approved by the Board and Shareholders.

### **Board Evaluation**

The board of directors has carried out an annual evaluation of its own performance, board committees and individual directors pursuant to the provisions of the Act.

The performance of the board was evaluated by the board, after seeking inputs from all the directors, on the basis of the criteria such as the board composition and structure, effectiveness of board processes, information and functioning, etc.

The performance of the committees was evaluated by the board after seeking inputs from the committee members on the basis of the criteria such as the composition of committees, effectiveness of committee meetings, etc.

The board and the nomination and remuneration committee reviewed the performance of the individual directors on the basis of the criteria such as the contribution of the individual director to the board and committee meetings like preparedness on the issues to be discussed, meaningful and constructive contribution and inputs in meetings, etc. In addition, the chairman was also evaluated on the key aspects of his role.

Separate meeting of independent directors was held to evaluate the performance of non-independent directors, performance of the board as a whole and performance of the chairman, taking into account the views of executive directors and non-executive directors. The same was discussed in the board meeting that followed the meeting of the independent directors, at which the performance of the board, its committees and individual directors was also discussed. Performance evaluation of independent directors was done by the entire board, excluding the independent director being evaluated.

The Board of Directors expressed their satisfaction with the evaluation process.

### **Public Deposit**

The company has not accepted any deposits from the public. Hence, the directives issued by the Reserve Bank of India & the Provision of Section 73 to 76 of the Company Act, 2013 or any other relevant provisions of the Act and the Rules there under are not applicable.

### **Particulars of Loans, Guarantees, Investments & Security**

Details of Loans, Guarantees, Investments and Security covered under the provisions of Section 186 of the Companies Act, 2013 are given in the notes to the Financial Statement.

During the year Company has made an investment of Rs. 30,70,500/- (Rs. Thirty Lakhs Seventy thousand and five hundreds only) for buying all the Equity Shares of M/s. Shankheshwer Infraproject Private Limited i.e. 10000 Equity Shares of Rs. 10/- each at price of Rs. 307.05/- per Equity Share and making M/s. Shankheshwer Infraproject Private Limited as wholly owned Subsidiary. However, the Company has not granted any Loan, provided Guarantee or Securities.

### **Contracts or Arrangements with Related Parties**

All transactions to be entered by the Company with related parties will be in the ordinary course of business and on an arm's length basis. However, the Company has not entered into any related party transaction, as provided in Section 188 of the Companies Act, 2013, with the related party. Hence, Disclosure as required under Section 188 of the Companies Act, 2013 is not applicable to the Company.

### **Extract of Annual Return**

Pursuant to sub-section 3(a) of Section 134 and sub-section (3) of Section 92 of the Companies Act, 2013 read with Rule 12 of Companies (Management and Administration) Rules, 2014 the extract of the Annual Return as at March 31, 2016 in Form MGT-9, forms part of this Annual Report as "**Annexure - B**".

### **Particular of Employees**

The Company has not paid any remuneration to any Director of the Company. Hence, details in terms of sub-section 12 of Section 197 of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are not applicable to the Company.

The details as required under section 197(12) of the Companies Act, 2013, read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel), 2014 is not applicable as there is no such employee in the Company employed throughout the financial year with salary above Rs. 102 Lakhs p.a. or employed part of the financial year with average salary above Rs. 8.5 Lakhs per month.

Further, there is no employee employed throughout Financial year or part thereof, was in receipt of remuneration of in aggregate is in excess of that drawn by the Managing Director or Whole time Director or Manager and holds by himself or along with his spouse and dependent children, not less than Two percent (2%) of the Equity Shares of the Company.

**Energy Conservation, Technology Absorption and Foreign Exchange Earnings and Outgo**

The details of conservation of energy, technology absorption etc. as required to be given under section 134(3)(m) of the Companies Act 2013 read with the Companies (Accounts) Rules, 2014, is not given as the Company has not taken any major step to conserve the energy etc.

Further, there was no foreign exchange earnings and outgo during the financial year 2014-15 (Previous Year – Nil).

**Material Changes and commitment affecting financial position of the Company**

There are no material changes and commitments, affecting the financial position of the Company which has occurred between the end of financial year of the Company i.e. March 31, 2016 and the date of Director's Report i.e. July 09, 2016.

**Sexual Harassment of women at workplace**

There were no incidences of sexual harassment reported during the year under review, in terms of the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and there are only 2 Women employees (Both are holding the position in the Top Management Level) and therefore there was no need to constitute an Internal Complaints Committee (ICC).

**Corporate Governance**

Your Company strives to incorporate the appropriate standards for corporate governance. However, pursuant to Regulation 15(2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the Company is not required to mandatorily comply with the provisions of certain regulations of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and therefore the Company has not provided a separate report on Corporate Governance, although few of the information are provided in this report of Directors under relevant heading.

**Management Discussion and Analysis**

Management Discussion and Analysis, for the year under review, as stipulated under Regulations 27(2) of the SEBI (LODR), 2015, is presented in a separate section forming part of this Annual Report.

**Auditors****Statutory Auditor & their report**

M/s. Ladha & Co., Chartered Accountant, Ahmedabad (FRN 136083W), who were appointed as the statutory auditors of the Company for a period of five years from the conclusion of 23<sup>rd</sup> AGM till conclusion of the 28<sup>th</sup> AGM to be held in the year 2020 has shown their unwillingness and tendered their resignation as Statutory Auditors of the Company.

To fill up the Casual Vacancy, arisen due to resignation of M/s. Ladha & Associates, the Board of Directors have appointed M/s. Marmik G Shah & Associates as the Statutory Auditors of the Company for the F.Y. 2015-16 in their meeting held on May 16, 2016. Further, the Board of Directors recommends ratification of appointment of M/s. Marmik G Shah & Associates from the members as provided under Section 139(8) of the Companies Act, 2013.

The Auditors' Report on the accounts of the Company for the accounting year ended March 31, 2016 contains the following qualifications:

1. We would like to draw attention to the fact that we have been appointed as auditors of the Company after March 31, 2016 accordingly, we were unable to satisfy ourselves by alternative means concerning the cash held at March 31, 2016 and March 31, 2015 which are stated in the Balance Sheet at Rs. 1,09,731/- and Rs. 1,91,880/-, respectively.
2. In addition, the introduction of a new computerized accounting system has resulted in data corruption and resulted in numerous errors in accounts receivable/payable. As of the date of our audit report, Management was still in the process of rectifying the system deficiencies and correcting the errors. We were unable to confirm or verify by alternative means accounts receivable/payable included in the Balance Sheet as at March 31, 2016.

As a result of these matters, we were unable to determine whether any adjustments might have been found necessary in respect of recorded or unrecorded transactions and accounts receivable/payable in



the Balance Sheet, and the corresponding elements making up the Statement of Profit and Loss and Cash Flow statement.

3. We have not been able to verify the transactional documents relating the sale of fixed assets, further the account with HDFC bank has been ceased by the commercial tax department account statement of the same has not been available, therefore we are unable to determine whether any adjustments might have been found necessary in respect of recorded or unrecorded transaction with respect to such transaction.
4. The Company has not adopted the method of depreciation as specified in Schedule II of Companies Act, 2013 and continued the method of depreciation as per the previous provisions of Companies Act, 1956.

The management replies for the Audit Qualifications are as under:

1. The Directors have themselves confirmed the cash balance as on 31<sup>st</sup> March 2015 and 31<sup>st</sup> March 2016.
2. The change in the accounting software has resulted in crash of the previous accounting records and Company is in process of reconciling the balances with the various parties.
3. Company is in process of procuring the necessary documents.
4. The Company has sold the assets during the year and there is no major impact of not following Schedule II.

As per the Section 139(1) of the Companies Act, 2013, M/s. Marmik G. Shah & Associates, Chartered Accountants, Ahmedabad [FRN: 135024W], are recommended to be appointed as the auditors of the Company to hold office for a period of five years from the conclusion of this 24<sup>th</sup> AGM till conclusion of the 29<sup>th</sup> AGM to be held in the year 2021.

#### **Secretarial Auditor & their report**

Pursuant to the provisions of section 204 of the Act and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed Mrs. Ankita Patel, Practicing Company Secretary, Ahmedabad to carry out the Secretarial Audit for the financial year ended on March 31, 2016. Secretarial Audit Report is attached to this report as "**Annexure - C**".

The Secretarial Auditors' Report of the Company for the Financial Year ended March 31, 2016 contains the following qualifications:

During the period under review the Company has generally complied with the provisions of the Act, Rules and regulations mentioned above except filing of certain forms and resolutions with the registrar under Companies Act, 2013 and appointment of Internal Auditor.

The management replies for the Audit Qualifications are as under:

Due to change in a Companies Act, 2013 and constant updation on its various rules and regulations, management was not able to judge the formalities required to be followed and hence failed to file few resolutions and its necessary forms to the Registrar of Companies - Ministry of Corporate Affairs. Further, during the year under review, there was no major business activities were carried out by the Company and therefore, the Company has not appointed Internal Auditor. However, looking at the operations of the Company during current year, the Board has appointed Internal Auditor in this year.

#### **Directors' Responsibility Statement**

In terms of section 134(5) of the Act, your Directors state that:

- i.) in the preparation of the annual financial statements for the year ended on March 31, 2016, applicable accounting standards read with requirements set out under schedule III of the Act, have been followed along with proper explanation relating to material departures, if any,
- ii.) such accounting policies have been selected and applied consistently and judgments and estimates made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company as at March 31, 2016 and of the profit of the company for the year ended on that date,
- iii.) proper and sufficient care has been taken for maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for prevention and detection of fraud and other irregularities,
- iv.) the annual financial statements are prepared on a going concern basis,
- v.) proper internal financial controls are in place and that the financial controls are adequate and are operating effectively and

vi.) the systems to ensure compliance with the provisions of all applicable laws are in place and are adequate and operating effectively.

### **General Disclosure**

Your Directors state that the Company has made disclosures in this report for the items prescribed in section 134(3) of the Act and Rule 8 of The Companies (Accounts) Rules, 2014 to the extent the transactions took place on those items during the year.

Your Directors further 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 of Annual Report on Corporate Social Responsibility as Company is not falling within the criteria as prescribed u/s 135 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 save and ESOS.
4. Details of Contracts and arrangement with the related parties.
5. No significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operations in future.

### **Acknowledgement**

Your Directors take this opportunity to place on record the valuable co-operation and support extended by the banks, government, business associates and the shareholders for their continued confidence reposed in the Company and look forward to having the same support in all future endeavors.

### **Registered Office**

317, Village-Kharval, Taluko-Dharampur,  
Dist. Valsad - 396 050

**Place:** Valsad

**Date:** July 09, 2016

**For and on behalf of Board**  
For, **Deepti Alloy Steel Limited**

**Parikshit Mahatma**  
**Whole time Director**  
**DIN: 01599675**

**Sangitaben Jain**  
**Director**  
**DIN: 01923253**

**Annexure - A**

**Statement containing the salient features of the Financial Statements of Subsidiaries/Associates/Joint Ventures**

(Pursuant to first proviso to Sub-section (3) of Section 129 of the Companies Act, 2013, read with Rule 5 of the Companies (Accounts) Rules, 2014 - AOC-1)

**Part "A": Subsidiaries**

(Amount in Rs.)

Name of Subsidiary	Shankeshwer Infraproject Private Limited#
Particulars	As on March 31, 2016
Share capital	1,00,000
Reserve and surplus	41,03,569
Total assets	20,69,46,646
Total liabilities	20,27,43,077
Investments	0.00
Turnover	32,79,31,415
Profit before taxation	31,10,603
Provision for taxation	9,68,000
Profit after taxation	21,33,035
Proposed dividend	0.00
% of Shareholding	100%

# Standalone Basis

**Part "B": Associates and Joint Ventures – Not Applicable**

**Registered Office**

317, Village-Kharval, Taluko-Dharampur,  
Dist. Valsad - 396 050

**Place:** Valsad

**Date:** July 09, 2016

**For and on behalf of Board**

For, **Deepti Alloy Steel Limited**

**Parikshit Mahatma**  
**Whole time Director**  
**DIN: 01599675**

**Sangitaben Jain**  
**Director**  
**DIN: 01923253**

**Form No. MGT-9**

**EXTRACT OF ANNUAL RETURN**

**as on the financial year ended on 31<sup>st</sup> March, 2016**

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

**I. REGISTRATION AND OTHER DETAILS**

<b>CIN:</b>	L27109GJ1993PLC018943
<b>Registration Date</b>	February 5, 1993
<b>Name of the Company</b>	Deepti Alloy Steel Limited
<b>Category / Sub-Category of the Company</b>	Public Limited Company having Share Capital
<b>Address of the registered office and contact details</b>	317, Village - Kharval, Taluko - Dharampur, Dist. Valsad Tel No.: 0260 - 2421575 E-mail: <a href="mailto:investor.deepti@gmail.com">investor.deepti@gmail.com</a> Web site: <a href="http://www.deeptialloysteel.com">www.deeptialloysteel.com</a>
<b>Whether listed company Yes / No</b>	Yes
<b>Name, Address and Contact details of Registrar and Transfer Agent, if any</b>	Satellite Corporate Services Private Limited B-302, Sony Apt, Opp. St. Jude's High School, 90 Ft Road, Jarimari, Sakinaka, Mumbai - 400 072 Tel No.: +91-22-2852 0461 / 2852 0462 Fax: +91-22-2851 1809 E-mail: <a href="mailto:service@satellitecorporate.com">service@satellitecorporate.com</a>

**II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY**

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

<b>Sr. No.</b>	<b>Name and Description of main products / services</b>	<b>NIC Code of the Product / service</b>	<b>% to total turnover of the company</b>
1.	Sale of Scrap	51498	100%

**III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES**

<b>Sr. No.</b>	<b>Name and Address of the Company</b>	<b>CIN/GLN/ Registration No.</b>	<b>Holding/ Subsidiary / Associate Company</b>	<b>% of Shares held</b>	<b>Applicable Section</b>
1.	Shankheshwer Infraproject Private Limited	U45203GJ2013PTC077162	Wholly owned subsidiary Company	100.00	2(87)(ii)

**IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)**

**i) Category-wise Share Holding**

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoters</b>									
(1) Indian									
a) Individual	0	940700	940700	24.43	0	940700	940700	24.43	0.00
b) Central Govt. Or State Govt.	0	0	0	0.00	0	0	0	0.00	0.00
c) Bodies Corporate	0	0	0	0.00	0	0	0	0.00	0.00
d) Bank/FI	0	0	0	0.00	0	0	0	0.00	0.00
e) Any other	0	0	0	0.00	0	0	0	0.00	0.00
- HUF	0	0	0	0.00	0	0	0	0.00	0.00
- Clearing Member	0	0	0	0.00	0	0	0	0.00	0.00
<b>SUB TOTAL:(A) (1)</b>	<b>0</b>	<b>940700</b>	<b>940700</b>	<b>24.43</b>	<b>0</b>	<b>940700</b>	<b>940700</b>	<b>24.43</b>	<b>0.00</b>
(2) Foreign									
a) NRI- Individuals	0	0	0	0.00	0	0	0	0.00	0.00
b) Other Individuals	0	0	0	0.00	0	0	0	0.00	0.00
c) Bodies Corp.	0	0	0	0.00	0	0	0	0.00	0.00
d) Banks/FI	0	0	0	0.00	0	0	0	0.00	0.00
e) Any other	0	0	0	0.00	0	0	0	0.00	0.00
<b>SUB TOTAL (A) (2)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0.00</b>
<b>Total Shareholding of Promoter (A)= (A)(1)+(A)(2)</b>	<b>0</b>	<b>940700</b>	<b>940700</b>	<b>24.43</b>	<b>0</b>	<b>940700</b>	<b>940700</b>	<b>24.43</b>	<b>0.00</b>
<b>B. PUBLIC SHAREHOLDING</b>									
(1) Institutions									
a) Mutual Funds	0	0	0	0.00	0	0	0	0.00	0.00
b) Banks/FI	0	0	0	0.00	0	0	0	0.00	0.00
C) Central govt.	0	0	0	0.00	0	0	0	0.00	0.00
d) State Govt.	0	0	0	0.00	0	0	0	0.00	0.00
e) Venture Capital Fund	0	0	0	0.00	0	0	0	0.00	0.00
f) Insurance Companies	0	0	0	0.00	0	0	0	0.00	0.00
g) FIS	0	0	0	0.00	0	0	0	0.00	0.00
h) Foreign Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
i) Others (specify)	0	0	0	0.00	0	0	0	0.00	0.00
<b>SUB TOTAL (B)(1):</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0.00</b>
(2) Non Institutions									
a) Bodies corporates									
i) Indian	0	0	0	0.00	610	77700	78310	2.03	+2.03
ii) Overseas	0	0	0	0.00	0	0	0	0.00	0.00
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	0	5000	5000	0.13	1110	5000	6110	0.16	+0.03
ii) Individuals shareholders holding nominal share capital in excess of Rs. 1 lakhs	0	2904700	2904700	75.44	2463840	61440	2525280	65.58	-9.86
c) Others (specify)									
- Clearing Members	0	0	0	0.00	0	0	0	0.00	0.00
- HUF	0	0	0	0.00	300000	0	300000	0.00	+7.79
<b>SUB TOTAL (B)(2):</b>	<b>0</b>	<b>2909700</b>	<b>2909700</b>	<b>75.57</b>	<b>2765560</b>	<b>144140</b>	<b>2909700</b>	<b>75.57</b>	<b>0.00</b>
<b>Total Public Shareholding (B)= (B)(1)+(B)(2)</b>	<b>0</b>	<b>2909700</b>	<b>2909700</b>	<b>75.57</b>	<b>2765560</b>	<b>144140</b>	<b>2909700</b>	<b>75.57</b>	<b>0.00</b>
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0.00</b>
<b>Grand Total (A+B+C)</b>	<b>0</b>	<b>3850400</b>	<b>3850400</b>	<b>100</b>	<b>2765560</b>	<b>1084840</b>	<b>3850400</b>	<b>100</b>	<b>0.00</b>

**ii) Shareholding of Promoters**

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1.	Mr. Ramesh Agrawal	940700	24.43	0.00	940700	24.43	940700	0.00

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

Sr. No.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
<b>1.</b>	<b>Ramesh Agrawal</b>				
	At the beginning of the year	940700	24.43	940700	24.43
	Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc.)	No change			
	At the End of the year	940700	24.43	940700	24.43

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

Sr. No.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	<b>For Each of the Top 10 Shareholders</b>				
1.	Vishal Textile C/O Jitendra Rathod	222160	5.77	222160	5.77
2.	Jyoti Fabrics C/O Surendrasingh Shekhawat	207200	5.38	207200	5.38
3.	Gaurav Pachouri	190000	4.93	190000	4.93
4.	Nishtha Pachouri	190000	4.93	190000	4.93
5.	Gautam Chauhan C/O Rahul Textile	129330	3.36	129330	3.36
6.	Pankaj Jain C/O Rajesh Silk Corporation	127450	3.31	127450	3.31
7.	Sarla Agrawal	90420	2.35	90420	2.35
8.	Neha Niranjani Jain	90000	2.34	90000	2.34
9.	Vaibhav M Singhai	90000	2.34	90000	2.34
10.	Sonal Jain	75000	1.95	75000	1.95
11.	Reena Mahatma	75000	1.95	75000	1.95
12.	Rajeev Mahatma	73300	1.90	73300	1.90
13.	Brajeshkumar Babulal Loharuka HUF	45000	1.16	45000	1.16

**v) Shareholding of Directors and Key Managerial Personnel**

Sr. No.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
<b>1.</b>	<b>Mr. Parikshit Mahatama</b>				
	At the beginning of the year	417000	10.83	417000	10.83
	Increase/decrease in Directors' Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc)	(20) Due to transfer of Shares	0.00	416980	0.00
	At the end of the year	416980	10.83	416980	10.83
<b>2.</b>	<b>Mrs. Sangitaben Jain</b>				

	At the beginning of the year	388440	0.00	388440	0.00
	Increase/decrease in Promoters Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc)	No Change during the year			
	At the end of the year	388440	0.00	388440	0.00
<b>3.</b>	<b>Mr. Narayansinh Chauhan</b>				
	At the beginning of the year	0	0	0	0
	Increase/decrease in Promoters Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc)	No Change during the year			
	At the end of the year	0	0	0	0
<b>4.</b>	<b>Rakesh Ajmera</b>				
	At the beginning of the year	0	0	0	0
	Increase/decrease in Promoters Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc)	No Change during the year			
	At the end of the year	0	0	0	0
<b>5.</b>	<b>Ms. Riddhi Shah</b>				
	At the beginning of the year	0	0	0	0
	Increase/decrease in Promoters Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc)	No Change during the year			
	At the end of the year	0	0	0	0
<b>6.</b>	<b>Mr. Darshil Hiranandani</b>				
	At the beginning of the year	0	0	0	0
	Increase/decrease in Promoters Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc)	No Change during the year			
	At the end of the year	0	0	0	0

## V. INDEBTEDNESS

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

[INR]

Particulars	Secured Loans (excluding deposits)	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtness at the beginning of the financial year</b>				
i) Principal Amount	0	0	0	0
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	0	0	0	0
<b>Total (i+ii+iii)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Change in Indebtedness during the financial year</b>	0	0	0	0
Additions	0	0	0	0
Reduction	0	0	0	0
<b>Net Change</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	0	0	0	0
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	0	0	0	0
<b>Total (i+ii+iii)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

## VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

The Company has not paid any remuneration to the Managing Director due to Nominal Profits occurred during the year under review.

B. Remuneration to other Directors:

The Company has not paid any amount of Sitting Fees / Commission to the Independent Directors as well as Non-Executive Directors due to Nominal Profits occurred during the year under review.

C. Remuneration to key Managerial Personnel Other than MD/Manager/WTD:

Sr. No.	Particulars of Remuneration	Key Managerial Personnel			Total Amount
		Ms. Riddhi Shah CS	Mr. Darshil Hiranandani CFO	Mr. Niraj Jain CS	
1.	Gross Salary				
	Salary as per provisions contained in Section 27 (1) of the Income Tax Act, 1961	84,000	36,000	60,000	1,80,000
	Value of perquisite u/s 17 (2) of Income Tax Act, 1961	-	-	-	
	Profit in lieu of Salary u/s 17 (3) of Income Tax Act, 1961	-	-	-	
2.	Stock option	-	-	-	
3.	Sweat Equity	-	-	-	
4.	Commission	-	-	-	
	As % of Profit	-	-	-	
	Others, Specify	-	-	-	
5.	Others, Specify: Professional Fees	-	-	-	
	Total	84,000	36,000	60,000	1,80,000

**VII. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES**

Type	Section of the Companies Act	Brief Description	Details of Penalty/Punishment/Compounding fees imposed	Authority (RD/NCLT/Court)	Appeal made if any (give details)
<b>A. COMPANY</b>					
Penalty					
Punishment			NONE		
Compounding					
<b>B. DIRECTORS</b>					
Penalty					
Punishment			NONE		
Compounding					
<b>C. OTHER OFFICERS IN DEFAULT</b>					
Penalty					
Punishment			NONE		
Compounding					

**Registered Office**

317, Village-Kharval, Taluko-Dharampur,  
Dist. Valsad - 396 050

**Place:** Valsad

**Date:** July 09, 2016

**For and on behalf of Board**  
For, **Deepti Alloy Steel Limited**

**Parikshit Mahatma**  
Whole time Director  
DIN: 01599675

**Sangitaben Jain**  
Director  
DIN: 01923253



**SECRETARIAL AUDIT REPORT**

**Form MR - 3**

For the financial year ended March 31, 2016

[Pursuant to section 204(1) of the Companies Act, 2013 and  
Rule 9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To,

The Board of Directors,

**Deepti Alloy Steel Limited**

317, Village – Kharval,  
Taluko – Dharampur,  
Dist. Valsad - 396 050

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **M/s. Deepti Alloy Steel Limited** (hereinafter called 'the Company'). 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 Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that, in my opinion, the Company has, during the audit period covering the financial year ended on March 31, 2016, generally complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2016 according to the provisions of:

- i. The Companies Act, 2013 ('the Act') and the rules made there under as applicable;
- ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- iv. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') :-
  - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
  - c) Secretarial Standards issued by the Institute of Company Secretaries of India.

I have also examined compliance with the applicable clauses of the Listing Agreements entered into by the Company with BSE Limited, Ahmedabad Stock Exchange Limited and Vadodara Stock Exchange Limited (got derecognized vide SEBI order WTM/RKA/MRD/144/2015 dated November 09, 2015) for period upto 30th November 2015 and pursuant to Securities and Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulations, 2015 for period commencing 1st December 2015 to 31st March 2016).

Further, Company being engaged in the Business of Metal Scrap, there are no other specific applicable laws, Rules, Regulations to the Company, which requires approvals or compliances under respective Acts or Regulations of Exchange.

*During the period under review the Company has generally complied with the provisions of the Act, Rules and regulations mentioned above except filing of certain forms and resolutions with the registrar and Appointment of Internal Auditor under Companies Act, 2013.*

During the Period under review, provisions of the following Acts, Rules, Regulations, Guidelines, Standards, etc. were not applicable to the Company:

- i. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
- ii. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
- iii. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;

- iv. 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; - *Not applicable as the Company is not registered as Registrar to an Issue & Share Transfer Agent. However, the Company has appointed M/s Satellite Corporate Services Private Limited as Registrar & Share Transfer Agent.*
- v. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;
- vi. The Securities and Exchange Board of India (Buy back of Securities) Regulations, 1998;
- vii. Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

**I further report that -**

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

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

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

**I further report that -**

There are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

**I further report that -**

During the audit period, there were no specific events / actions having a major bearing on the operations of the Company's affairs happened during the audit period except the following events

1. The Company got its Equity Shares Listed through Direct Listing Norms on the BSE Ltd. w.e.f. November 18, 2015 vide a letter from BSE dated November 16, 2015.
2. The Company has acquired 100% stake of Shankheshwer Infraproject Private Limited. Due to that it becomes a wholly owned subsidiary of the company.

**Place:** Ahmedabad

**Date:** July 9, 2016

**Signature:**

**Name of Company Secretary in practice:** Ankita Patel

**FCS No.:** 8536

**C P No.:** 16497

**Note:**

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

To,

**Annexure I**

The Board of Directors,

**Deepti Alloy Steel Limited**

317, Village – Kharval,  
Taluko – Dharampur,  
Dist. Valsad - 396 050

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

1. Maintenance of secretarial records 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 processes as were appropriate to obtain reasonable assurance about the correctness of the contents of secretarial records. The verification was done based on the records and documents provided to me, on test basis, to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices followed by me provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and books of accounts of the Company.
4. Wherever required, I have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provision of corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor the efficacy or effectiveness with which the management has conducted the affairs of the Company.

**Place:** Ahmedabad

**Date:** July 9, 2016

**Signature:**

**Name of Company Secretary in practice:** Ankita Patel

**FCS No.:** 8536

**C P No.:** 16497

## **MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

### **INDUSTRY STRUCTURE AND DEVELOPMENTS**

The outlook for the steel sector has, unfortunately, weakened. Further in recent months, reflecting not only cyclical factors such as the slowdown in world economic growth but also growing structural challenges such as excess capacity. With the global business cycle expected to remain subdued over the next few years, resolving the structural factors that are inhibiting, the industry from reaching its full potential will remain a key priority going forward.

In the Global Scenario half of the steel market has been dominated by China. It is the largest and fastest growing producer and consumer of steel and it will retain its leading position throughout the forecast period. India, Taiwan, Iran, Japan, Mexico and South Korea are other countries exhibiting strong growth in terms of steel production and consumption. Global steel demand over the next decade will mainly depend on the emerging economies. However, economic conditions for the global steel industry remain uncertain and challenging.

India being the world's third-largest producer of crude steel (up from eighth in 2003) is expected to become the second-largest producer by the end of this year i.e. the year 2016. The growth in the Indian steel sector has been driven by domestic availability of raw materials such as iron ore and cost-effective labour. Consequently, the steel sector has been a major contributor to India's manufacturing output.

### **OPPORTUNITIES AND THREATS**

#### **Opportunities**

India is expected to become the world's second largest producer of crude steel in the next 10 years, moving up from the third position, as its capacity is projected to increase to about 300 MT by 2025. Huge scope for growth is offered by India's comparatively low per capita steel consumption and the expected rise in consumption due to increased infrastructure construction and the thriving automobile and railways sectors.

The New Industrial policy opened up the Indian iron and steel industry for private investment by

- a. removing it from the list of industries reserved for public sector and
- b. exempting it from compulsory licensing. Imports of foreign technology as well as foreign direct investment are now freely permitted up to certain limits under an automatic route.

Ministry of Steel plays the role of a facilitator, providing broad directions and assistance to new and existing steel plants, in the liberalized scenario.

#### **Threats**

The steel industry is increasingly coming under threats of competition from substitute materials such as aluminium (in specific areas with long product life such as buildings, infrastructure, automobiles, etc.) and plastics (construction, pipes, consumer durables, appliances, etc. irrespective of product life). Not only that the existing areas where steel is in use are being replaced, future products are being developed considering the low cost alternatives and energy considerations. Therefore, steel intensity in the economy will see a decline rather than an increase, much in line with the global trends. To what extent and how quickly this transformation will take place is difficult to predict. But, one has to consider the downward pressure on steel demand on account of this.

### **SEGMENT-WISE OR PRODUCT WISE PERFORMANCE**

The Company being engaged in the sale of steel scrap and other type of scrap, there is only one business segment and single segment of activity. Further, the Company is mainly operative in the state of Gujarat and does not operate any other place and therefore all the revenue and income has been generated from one geographic area only. The performance of financial result is provided in Director Report under head financial highlights.

### **OUTLOOK**

The demand for steel has been worked out on the basis of observed relationship between steel consumption and selected macro economic variables under four scenarios of GDP growth (i.e. of 8%, 8.5%, 9% and 9.5%) by 2016-17. The Draft Approach paper of the Twelfth Five Year Plan of the Ministry of Steel – India envisages a GDP growth of 9% per annum. In the "Most Likely" growth scenario i.e. 9% GDP growth, the demand for

steel works out to be 113.3 million tonnes by 2016-17. Therefore, it is likely that in the next five years, demand will grow at a considerably higher annual average rate of 10.3% as compared to around 8.1% growth achieved during the last two decades. (1991-92 to 2010-11).

### RISKS AND CONCERNS

The sharp decline in global commodity prices is generally good news for the Indian economy. There could be one exception to the rule: steel.

Global steel prices are now at their lowest level since 2003—and steadily falling. This has created problems for the steel industry in many countries. A further deterioration in the financial health of Indian steel companies can add to the problems that banks are currently facing.

Banks have good reason to worry. Lending to the steel industry accounts for around a 10th of the bad loans of the Indian banking system, according to the Financial Stability Report published by the Reserve Bank of India in June, 2015.

It is quite likely that the coming months will see calls for higher protective tariffs, regulatory forbearance on bad loans, some attempts to sell assets to reduce debt, and some general complaints that projects got into trouble not because of business risks but regulatory problems in the last years of the previous government.

History has a useful lesson to offer. The Indian steel industry has been through a similar situation in the early years of this century: high levels of debt, excess capacity, low global prices, Chinese dumping, demands for protection and failure to service bank loans. The way out of the mess was a long one. Hard decisions had to be taken. Neither steel company managements nor the bankers who have lent to the industry can afford to ignore this harsh reality.

### INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has an efficient system of internal controls for achieving the following business objectives of the company:

- a. Efficiency of operations
- b. Protection of resources
- c. Accuracy and promptness of financial reporting
- d. Compliance with the laid down policies and procedures
- e. Compliance with various laws and regulations.

In Deepti Alloy Steel Limited, Internal Audit is a multi-disciplinary function which reviews, evaluates and appraises the various systems, procedures/policies of the Company and suggests meaningful and useful improvements. It helps the Management to accomplish its objectives by bringing a systematic and disciplined approach to improve the effectiveness of risk management towards good corporate governance.

### DISCUSSION ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE

On standalone basis, revenue from operations for FY 2015-16 was Rs. 42.02 Lakhs compared to the Revenue from operations of Rs. 19.89 Lakhs of previous year which shows uptrend about 111% over the previous year. However, the Company has incurred Loss before tax for the financial year 2015-16 of Rs. 4.02 Lakhs as against profit before tax of Rs. 2.06 Lakhs of previous year making Net Loss after Tax for the financial year 2015-16 of Rs. 8.24 Lakhs as against Net Profit after tax of Rs. 1.42 Lakhs of Previous year.

On consolidated basis, revenue from operations for FY 2015-16 was Rs. 3323.60 Lakhs. The Profit before tax of the Company for the financial year 2015-16 stood at Rs. 27.17 Lakhs making Net Profit after Tax for the financial year 2015-16 of Rs. 13.18 Lakhs. The comparative performance of major financial parameters during the Financial Years 2014-15 and 2013-14 is given below:

(Rs. In lakhs)

Particulars	Standalone		Consolidated	
	2015-16	2014-15	2015-16	2014-15
Revenue from Operations	42.02	19.89	3,323.60	-

Other Income	2.26	-	64.08	-
Total Revenue	44.28	19.89	3,387.68	-
Less: Total Expenses	44.09	13.37	3,355.89	-
Operating Profits before Exception item, Depreciation, Interest and Tax	0.19	6.52	31.79	-
Less: Depreciation	3.94	3.94	4.33	-
Interest	0.27	0.52	0.29	
Profit / (Loss) Before Tax	(4.02)	2.06	27.17	-
Less : Exceptional Items	4.22	-	4.21	-
Less: Current Tax	-	0.64	9.68	-
Less : Deferred Tax	-	-	0.10	-
Profit / (Loss) after Tax	(8.24)	1.42	13.18	

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

The Company being engaged in the business of sale of scrap, all the operation and management is look after by the Directors of the Company only. Further, there is no other employee in the Company except person appointed for looking after the Statutory Compliances under various acts.

Further, Management is of the view to employ the person in the suitable post wherever require for the expansion of business the Company.

**CAUTIONARY STATEMENT**

Statement in the Management Discussion and Analysis, describing the Company's objective, projections and estimates are forward looking statements and progressive within the meaning of applicable security Laws and Regulations. Actual results may vary from those expressed or implied, depending upon economic conditions, Government Policies and other incidental factors.

**INDEPENDENT AUDITOR'S REPORT****TO,****The Members of DEEPTI ALLOY STEEL LIMITED****Report on the Financial Statements**

We have audited the accompanying financial statements of **DEEPTI ALLOY STEEL LIMITED** ("the Company"), which comprise the Balance Sheet as at **31/03/2016**, the Statement of Profit and Loss, **the cash flow statement** for the year then ended, and a summary of the significant accounting policies and other explanatory information.

**Management's Responsibility for the Financial Statements**

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

**Auditor's Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

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

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

Because of the matter described in the Basis for Disclaimer of Opinion paragraph, however, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion.

**Basis of Disclaimer of Opinion**

*We would like to draw attention to the fact that we have been appointed as auditors of the Company after March 31, 2016 accordingly, we were unable to satisfy ourselves by alternative means concerning the cash held at March 31, 2016 and March 31, 2015 which are stated in the Balance Sheet.*

*In addition, the introduction of a new computerized accounting system has resulted in data corruption and resulted in numerous errors in accounts receivable/payable in the books of the company. As of the date of our audit report, Management was still in the process of rectifying the system deficiencies and correcting the errors. We were unable to confirm or verify by alternative means accounts receivable/payable included in the Balance Sheet as at March 31, 2016.*

*As a result of these matters, we were unable to determine whether any adjustments might have been found necessary in respect of recorded or unrecorded transactions and accounts receivable/payable in the Balance Sheet, and the corresponding elements making up the Statement of Profit and Loss and Cash Flow statement.*

*In relation to the company we have not been able to verify the transactional documents relating the sale of fixed assets, further the account with HDFC bank has been ceased by the commercial tax department and therefore account statement of the same has not been available, therefore we are unable to determine whether any adjustments might have been found necessary in respect of recorded or unrecorded transaction with respect to such transaction.*

*The financial statements does not comply with the method of depreciation as specified in Schedule II of Companies Act 2013, and continued the method of depreciation as per the previous provisions of companies Act 1956.*

### **Opinion:**

***Because of the significance of the matters described in the Basis for Disclaimer of Opinion paragraph, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on those matters. Accordingly, we do not express an opinion relating to those portions of on the financial statements Subject to the items specified in above paragraph, in our opinion and to the best of our information and according to the explanations given to us these financial statements are true and fair.;***

### **Report on Other Legal and Regulatory Requirements**

As required by the Companies (Auditors' Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub section (11) of section 143 of the Companies Act, 2013. We give in the Annexure A statements on the matters specified in paragraphs 3 and 4 of the order, to the extent applicable.

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

- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- (c) The Balance Sheet, the Statement of Profit and Loss, and **and the cash flow statement** dealt with by this Report are in agreement with the books of account.
- (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. Except as specified in basis of disclaimer paragraph.
- (e) On the basis of the written representations received from the directors as on **31/03/2016** taken on record by the Board of Directors, none of the directors is disqualified as **31/03/2016** from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "**Annexure B**".
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and 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 its financial statements.
  - ii. The Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses.
  - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

**For, Marmik G. Shah & Associates**  
**Chartered Accountant**  
Firm Reg. No. :135024W

**CA KENAN SATYAWADI**  
**Partner**  
**Membership No. 139533**

**Place:** Ahmedabad  
**Date:** May 31, 2016



## **“Annexure B” to the Independent Auditor’s Report of even date on the Standalone Financial Statements of DEEPTI ALLOY STEEL LIMITED Company limited**

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

We have audited the internal financial controls over financial reporting of DEEPTI ALLOY STEEL LIMITED Company Limited by shares (“The Company”) as of March 31, 2016 in conjunction with our audit of the standalone 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 amount the adequacy of the internal financial control system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and operating effectiveness of internal control based on the assessed risk. The procedures selected depend upon on the auditor’s judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

#### **Meaning of Internal Financial Controls over Financial Reporting**

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

#### **Inherent Limitations of Internal Financial Controls over Financial Reporting**

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

### **Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2016, 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 issues by the Institute of Chartered Accountants of India.

**For, Marmik G. Shah & Associates**  
**Chartered Accountant**  
Firm Reg. No. :135024W

**Place:** Ahmedabad  
**Date:** May 31, 2016

**CA KENAN SATYAWADI**  
**Partner**  
**Membership No. 139533**

**Reports under The Companies (Auditor's Report) Order, 2016 (CARO 2016) for the year ended on  
31st March 2016**

To,

**The Members of DEEPTI ALLOY STEEL LIMITED**

**1. In Respect of Fixed Assets**

- a) The Company has sold all the fixed assets during the year however we have not been provided with the documents to verify the transactional documents relating the sale of fixed assets sold by the company. As on 31st March, 2016 Fixed assets in the books of accounts stands at value NIL. No other records are maintained considering all assets are sold.
- b) As represented by the management they have verified all the assets before being sold during the year. As the assets were sold off during the year no further physical verification was required.
- c) As on the balance sheet date there are no assets in the books of account of the company and therefore verification of the title deeds for the property is not required.

**2. In Respect of Inventories**

As represented by the management the physical verification of the inventory was conducted from time to time, however the company does not keep major stock on hand being in trading business. As represented by management no discrepancies were found.

**3. Compliance under section 189 of The Companies Act, 2013**

The company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained u/s 189 of the companies Act-2013. And therefore the issues relating to section 189 have not been commented upon by us.

- a) N.A.
- b) N.A.
- c) N.A.

**4. Compliance under section 185 and 186 of The Companies Act , 2013**

As per the records provided to us the company has not provided any loans and advances

**5. Compliance under section 73 to 76 of The Companies Act, 2013 and Rules framed thereunder while accepting Deposits**

The company has not accepted any Deposits, therefore this issue is not applicable.

**6. Maintenance of cost records**

The Company is not required to maintain cost records pursuant to the Rules made by the Central Government for the maintenance of cost records under sub-section (1) of section 148 of the Companies Act, 2013.

**7. Deposit of Statutory Dues**

- a) According to the information and explanations given to us, undisputed dues in respect of provident fund, investor education and protection fund, employees state insurance, income tax, sales tax, wealth tax, service tax, customs duty, excise duty, cess and other statutory dues which were outstanding at the year end for a period of more than six months from the date they became payable are as follows:

VAT Payable : 5,81,167

Provision for Taxation :2,26,050

- b) As informed to us by the management there is no dispute with the revenue authorities for the taxes. However the sales tax department has ceased the bank account with HDFC bank for the recovery of the amount payable.

**8. Repayment of Loans and Borrowings**

Based on our audit procedures and as per the information and explanations given by the management, we are of the opinion that the company has not defaulted in repayment of dues to a financial institution, bank of debenture holders.

**9. Utilization of Money Raised by Public Offers and Term Loan For which they Raised**

The company has not raised any money by way of initial public offer or further public offer {including debt instruments) and term loans. Hence this clause is not applicable.

**10. Reporting of Fraud During the Year**

Based on our audit procedures and the information and explanation made available to us and subject to details given in our audit report, no such fraud noticed or reported during the year.

**11. Managerial Remuneration**

The Company has not provided for any Managerial Remuneration for the year.

**12. Compliance by Nidhi Company Regarding Net Owned Fund to Deposits Ratio**

As per information and records available with us The company is not Nidhi Company.

**13. Related party compliance with Section 177 and 188 of companies Act - 2013**

Yes , All transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the Financial Statements etc., as required by the applicable accounting standards.

**14. Compliance under section 42 of Companies Act - 2013 regarding Private placement of Shares or Debentures**

The company has not made any private placement during the year and therefore this clause is not applicable.

**15. Compliance under section 192 of Companies Act - 2013**

company has not entered into any non-cash transactions with directors or persons connected with him.

**16. Requirement of Registration under 45-IA of Reserve Bank of India Act, 1934**

The company is not required to be registered under section 45-IA of the Reserve Bank of India Act.

For, Marmik G. Shah & Associates  
Chartered Accountant  
Firm Reg. No. :135024W

Place: Ahmedabad  
Date: May 31, 2016

CA KENAN SATYAWADI  
Partner  
Membership No. 139533

## Standalone Financial Statement

<b>DEEPTI ALLOY STEEL LIMITED</b>			
<b>Balance Sheet as at 31st March, 2016</b>			
<b>(Amount in Rs.)</b>			
	Note No.	As at 3/31/2016	As at 3/31/2015
<b>EQUITY AND LIABILITIES</b>			
<b>Shareholders' funds</b>			
Share capital	2	38,504,000	38,504,000
Reserves and surplus	3	(8,549,346)	(7,725,474)
		<b>29,954,654</b>	<b>30,778,526</b>
<b>Non Current liabilities</b>			
Other Long Term Liability	4	-	4,000,000
Unsecured Loans		511,800	-
		<b>511,800</b>	<b>4,000,000</b>
<b>Current liabilities</b>			
Other Current liability	5	581,167	596,992
Trade payables		132,375	6,250,300
Short Term Provision	6	226,050	248,522
		<b>939,592</b>	<b>7,095,814</b>
<b>TOTAL</b>		<b>31,406,046</b>	<b>41,874,340</b>
<b>ASSETS</b>			
<b>Non-current assets</b>			
<b>Fixed Assets</b>			
Tangible Assets	7	-	18,061,835
Long Term Loans & Advances	8	18,046,000	18,046,000
Investments		3,070,500	-
		<b>21,116,500</b>	<b>36,107,835</b>
<b>Current assets</b>			
Trade receivables		5,202,466	5,527,604
Cash and Cash Equivalents	9	5,087,080	238,901
		<b>10,289,546</b>	<b>5,766,505</b>
<b>TOTAL</b>		<b>31,406,046</b>	<b>41,874,340</b>
Significant Accounting Policies	1		
The accompanying notes from 1 to 20 are integral part of financial statements.			
As per our report of even date.		For and on behalf of the Board of Directors	
		<b>For, Deepti Alloy Steel Limited</b>	
<b>For, Marmik G. Shah &amp; Associates</b>			
<b>Chartered Accountant</b>			
Firm Reg. No. :135024W		<b>Parikshit Mahatma</b>	<b>Sangitaben Jain</b>
		<b>Whole-Time Director</b>	<b>Director</b>
		<b>DIN: 01599675</b>	<b>DIN: 01923253</b>
CA KENAN SATYAWADI			
Partner			
Membership No. 139533		<b>Darshil Hiranandani</b>	<b>Riddhi Shah</b>
		<b>Chief Financial Officer</b>	<b>Company Secretary</b>
<b>Place:</b> Ahmedabad		<b>Place:</b> Ahmedabad	
<b>Date:</b> May 31, 2016		<b>Date:</b> May 31, 2016	

<b>DEEPTI ALLOY STEEL LIMITED</b>			
<b>Statement of Profit and Loss for the year ended 31 March, 2016</b>			
<b>(Amount in Rs.)</b>			
	<b>Note No.</b>	<b>Year ended 3/31/2016</b>	<b>Year ended 3/31/2015</b>
<b>Income</b>			
Revenue from operations	10	4,202,467	1,989,373
Other Income		226,600	
<b>Total revenue</b>		<b>4,429,067</b>	<b>1,989,373</b>
<b>Expenses</b>			
Cost of materials consumed	11	3,527,604	1,303,373
Depreciation		394,373	788,746
Employee benefits expenses	12	123,350	-
Other expenses	13	758,777	33,166
Financial Charges	14	27,172	52,354
<b>Total expenses</b>		<b>4,831,276</b>	<b>2,177,639</b>
<b>Profit / (Loss) before Exceptional and Extraordinary items and tax</b>		<b>(402,209)</b>	<b>(188,266)</b>
<b>Exceptional items :</b>			
Loss on sale of Machinery		(444,750)	-
Profit on sale of land		23,087	-
<b>Profit / (Loss) before Extraordinary items and tax</b>		<b>(823,872)</b>	<b>-</b>
<b>Extraordinary items :</b>			
		-	
<b>Profit / (Loss) before tax</b>		<b>(823,872)</b>	
<b>Tax expense:</b>			
Current Income Tax		-	63,687
Deffered Tax		-	
<b>Profit / (Loss) for the year</b>		<b>(823,872)</b>	<b>(251,953)</b>
<b>Basic and Diluted EPS</b>		<b>(0.21)</b>	<b>(0.07)</b>
<b>Significant Accounting Policies</b>			
1			
The accompanying notes from 1 to 20 are integral part of financial statements.			
As per our report of even date.			
		For and on behalf of the Board of Directors	
		<b>For, Deepti Alloy Steel Limited</b>	
<b>For, Marmik G. Shah &amp; Associates</b>			
<b>Chartered Accountant</b>			
Firm Reg. No. :135024W		<b>Parikshit Mahatma</b>	<b>Sangitaben Jain</b>
		<b>Whole-Time Director</b>	<b>Director</b>
		<b>DIN: 01599675</b>	<b>DIN: 01923253</b>
CA KENAN SATYAWADI			
Partner			
Membership No. 139533		<b>Darshil Hiranandani</b>	<b>Riddhi Shah</b>
		<b>Chief Financial Officer</b>	<b>Company Secretary</b>
<b>Place:</b> Ahmedabad		<b>Place:</b> Ahmedabad	
<b>Date:</b> May 31, 2016		<b>Date:</b> May 31, 2016	

## Standalone Financial Statement

<b>DEEPTI ALLOY STEEL LIMITED</b>		
<b>CASH FLOW STATEMENT FOR THE YEAR ENDED ON 31ST MARCH 2016</b>		
Particulars	2015-16	2014-15
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit before taxation and extraordinary items	-823,872	206,107
<b>Adjustment for :-</b>		
<b>Add to Profit</b>		
Depreciation and Amortization	394,373	394,373
Finance Costs	27,172	52,354
Loss on sales of fixed assets	444,750	
<b>sub-total</b>	<b>866,295</b>	<b>446,727</b>
<b>Deduct from Profit</b>		
Profit on sales of fixed assets	23,087	-
<b>Operating Profit before working capital changes</b>	<b>19,336</b>	<b>652,834</b>
<b>Change in working Capital :</b>		
<b>Adjustment for Decrease (Increase) in operating assets</b>		
Trade receivables	325,138	-1,773,231
<b>Adjustment for (Decrease) Increase in operating liabilities</b>		
Trade payables	-6,117,925	1,303,373
Other current liabilities	-15,825	-
Short term provision	-22,472	63,687
<b>sub-total</b>	<b>-5,831,084</b>	<b>-406,171</b>
<b>Cash Generated from Operations</b>	<b>-5,811,748</b>	<b>246,663</b>
Direct tax Paid	-	63,687
Cash Flow before extraordinary items	-5,811,748	182,976
Extraordinary Items/Prior Period Items		-
<b>Net cash from Operating Activities</b>	<b>-5,811,748</b>	<b>182,976</b>
<b>B. NET CASH FLOW FROM INVESTMENT ACTIVITIES</b>		
Purchase of investment	-3,070,500	-
Proceeds from sale of fixed assets	17,245,799	-
<b>Net Cash from Investment Activities</b>	<b>14,175,299</b>	<b>-</b>
<b>C. CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Interest Expense	-27,172	-52,354
Proceeds of long term borrowings	511,800	-
Repayment of long term borrowings	-4,000,000	-
<b>Net Cash from financial activities</b>	<b>-3,515,372</b>	<b>-52,354</b>
<b>TOTAL CASH AND CASH EQUIVALENT (A+B+C)</b>	<b>4,848,179</b>	<b>130,622</b>
<b>FOREIGN EXCHANGE RATE FLUCTUATION</b>		
	-	-
<b>OPENING BALANCE IN CASH AND CASH EQUIVALENTS</b>	<b>238,901</b>	<b>108,279</b>
<b>CLOSING BALANCE IN CASH AND CASH EQUIVALENTS</b>	<b>5,087,080</b>	<b>238,901</b>

The accompanying notes from 1 to 20 are integral part of financial statements.  
As per our report of even date.

For and on behalf of the Board of Directors  
**For, Deepti Alloy Steel Limited**

**For, Marmik G. Shah & Associates**  
**Chartered Accountant**  
Firm Reg. No. :135024W

**Parikshit Mahatma**  
**Whole-Time Director**  
**DIN: 01599675**

**Sangitaben Jain**  
**Director**  
**DIN: 01923253**

CA KENAN SATYAWADI  
Partner  
Membership No. 139533

**Darshil Hiranandani**  
**Chief Financial Officer**

**Riddhi Shah**  
**Company Secretary**

**Place:** Ahmedabad  
**Date:** May 31, 2016

**Place:** Ahmedabad  
**Date:** May 31, 2016

**DEEPTI ALLOY STEEL LIMITED**

Notes to the financial statements for the year ended on 31st March, 2016

(Amount in Rs.)

**2. Share capital**

Particulars	As at 31st March, 2016		As at 31st March, 2015	
	Number of shares	Rs.	Number of shares	Rs.
45,00,000 ( Previous Year 45,00,000) Equity shares of Rs.10 each	4,500,000	45,000,000	4,500,000	45,000,000
Issued, Subscribed & Paid up 38,50,400 ( Previous Year 38,50,400) Equity shares of Rs.10 each	3,850,400	38,504,000	3,850,400	38,504,000
<b>Total</b>	<b>3,850,400</b>	<b>38,504,000</b>	<b>3,850,400</b>	<b>38,504,000</b>

**2.1 Unpaid Calls**

By Directors	-	-	-	-
By Officers	-	-	-	-

**2.2 Particulars of Shares holders holding more than 5% of the Shares Capital:**

Name of Shareholder	No of Shares	% Of holding
Ramesh T Agrawal	940,700	24
Parikshit Mahatma	417,000	11
Sangita Jain	388,440	10
Jyoti fabrics	207,200	5
Vishal Textile	222,160	6

**2.3 Reconciliation of the shares outstanding at the beginning and at the end of the reporting period:**

Particulars	Opening Balance	Issue	Buy back	Closing Balance
<b>Equity shares</b>				
Year ended 31st March, 2016				
- Number of shares	3,850,400	-	-	3,850,400
- Amount (Rs)	38,504,000	-	-	38,504,000
Year ended 31st March, 2015				
- Number of shares	3,850,400	-	-	3,850,400
- Amount (Rs)	38,504,000	-	-	38,504,000

2.4 The Company has only one class of shares referred to as equity shares with a face value of 10 per share. Each holder is entitled to one vote per share.

2.5 Fully paid up equity shares issued pursuant to contract(s) without payment

Being received in cash in the last five years 18,000,000

2.6 Fully paid up equity shares by way of bonus shares in the last five years Nil

2.7 Shares bought back in the five years Nil



<b>DEEPTI ALLOY STEEL LIMITED</b>		
Notes to the financial statements for the year ended on 31st March, 2016		
(Amount in Rs.)		
<b>3. Reserves and surplus</b>		
	As at 3/31/2016	As at 3/31/2015
<b>Capital Reserve</b>	9,248,500	9,248,500
<b>Securities Premium</b>	27,745,500	27,745,500
<b>Profit and loss account :</b>		
Balance as per last financial statement	(44,719,474)	(44,861,894)
Addition during the year	(823,872)	142,420
Closing balance of Profit and loss account	(45,543,346)	(44,719,474)
<b>Total Reserves and Surplus</b>	<b>(8,549,346)</b>	<b>(7,725,474)</b>
<b>4. Other Long Term Liability</b>		
	As at 3/31/2016	As at 3/31/2015
<b>Trade Receivable</b>		
<b>Other</b>		
<b>Advance received against land</b>		
Chandubhai Hansrajbhai Patel	-	1,000,000
Kiranbhai Navinbhai Barodia	-	400,000
Kishorbhai Vitthalbhai(HUF)	-	1,000,000
Rasikbhai Gokulbhai Bhalodi	-	1,600,000
<b>Total</b>	<b>-</b>	<b>4,000,000</b>
<b>5. Other Current Liabilities</b>		
	As at 3/31/2016	As at 3/31/2015
<b>Other Payables</b>		
TDS Payable	-	15,825
Vat Payable	581,167	581,167
<b>Total</b>	<b>581,167</b>	<b>596,992</b>
<b>6. Short Term Provision</b>		
	As at 3/31/2016	As at 3/31/2015
<b>Provision For Employee Benefit</b>		
<b>Others</b>		
Provision For Audit fees	-	22,472
Provision For Taxation	226,050	226,050
<b>Total</b>	<b>226,050</b>	<b>248,522</b>

<b>DEEPTI ALLOY STEEL LIMITED</b>		
Notes to the financial statements for the year ended on 31st March, 2016 (Amount in Rs.)		
	As at 3/31/2016	As at 3/31/2015
<b>8. Long Term Loans &amp; Advances</b>		
<b>Unsecured and considered good</b>		
Security deposit	46,000	46,000
Advance Against Property	18,000,000	18,000,000
<b>Total</b>	<b>18,046,000</b>	<b>18,046,000</b>
	As at 3/31/2016	As at 3/31/2015
<b>9. Cash &amp; Cash Equivalents</b>		
<u>Cash on hand</u>	109,731	191,880
<u>Balance with Bank</u>		
HDFC Bank#	47,021	47,021
Cosmos Co-Op Bank Ltd.	4,930,328	-
<b>Total</b>	<b>5,087,080</b>	<b>238,901</b>
<p># The Account has been seized by Sales Tax Department and Access to the same is not available to the company and therefore balance of the same is also not confirmed.</p>		

## Standalone Financial Statement

### DEEPTI ALLOY STEEL LIMITED

Notes to the financial statements for the year ended on 31st March, 2016

(Amount in Rs.)

#### 10. Revenue from operations

	Year ended 3/31/2016	Year ended 3/31/2015
Income from operation	4,202,467	1,773,231
Other Income	226,600	216,142
<b>Total</b>	<b>4,429,067</b>	<b>1,989,373</b>

#### 11. Cost of materials consumed

	Year ended 3/31/2016	Year ended 3/31/2015
Opening Inventory	-	-
Add: Purchase(Net)	3,527,604	1,303,373
Closing Inventory	-	-
<b>Total</b>	<b>3,527,604</b>	<b>1,303,373</b>

#### 12. Employee benefits expenses

	Year ended 3/31/2016	Year ended 3/31/2015
Salary, wages and bonus		
Staff Salary expenses	123,350	-
<b>Total</b>	<b>123,350</b>	<b>-</b>

#### 13. Other expenses

	Year ended 3/31/2016	Year ended 3/31/2015
Audit fees	85,875	24,666
Legal & Professional charges	16,000	7,000
Listing Fees	561,800	-
Offic expenses	83,510	-
Courier Charges	11,592	-
ROC Filling Fees	-	1,500
<b>Total</b>	<b>758,777</b>	<b>33,166</b>

#### 14. Financial Charges

	Year ended 3/31/2016	Year ended 3/31/2015
Bank Charges	172	-
Interest paid	27,000	52,354
<b>Total</b>	<b>27,172</b>	<b>52,354</b>

## DEEPTI ALLOY STEEL LIMITED

Schedules Forming Integral Part of the Balance Sheet as at 31st March, 2016

## Schedule : 7 Fixed Asset

## I. Fixed Assets

Sr. No	Particulars	Gross Block				Depreciation				Net Block	
		Value at the beginning	Addition during the year	Deduction during the year	Value at the end	Old Value at the beginning	Addition during the year	Deduction during the year	Value at the end	WDV as on 31.03.2016	WDV as on 31.03.2015
I	<b>Tangible Assets</b>										
1	Land & Building	10,587,308	0	10,587,308	0	0	0	0	0	0	10,587,308
2	Plant & Machinery	8,145,068	0	8,145,068	0	773,782	386,891	1,160,673	0	0	7,371,286
3	Furniture & Fittings	118,205	0	118,205	0	14,964	7,482	22,446	0	0	103,241
	<b>SUB TOTAL (A)</b>	<b>18,850,581</b>	<b>0</b>	<b>18,850,581</b>	<b>0</b>	<b>788,746</b>	<b>394,373</b>	<b>1,183,119</b>	<b>0</b>	<b>0</b>	<b>18,061,835</b>
	<b>Total (Current Year)</b>	<b>18,850,581</b>	<b>0</b>	<b>18,850,581</b>	<b>0</b>	<b>788,746</b>	<b>394,373</b>	<b>1,183,119</b>	<b>0</b>	<b>0</b>	<b>18,061,835</b>
	<b>(Previous Year)</b>	<b>18,850,581</b>	<b>0</b>	<b>0</b>	<b>18,850,581</b>	<b>394,373</b>	<b>394,373</b>	<b>0</b>	<b>788,746</b>	<b>18,061,835</b>	<b>18,456,208</b>

**Note 1. SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNT****1. BASIS OF ACCOUNTING:**

The financial statements are prepared under the historical cost convention on an accrual basis of accounting in accordance with the Generally Accepted Accounting Principles, Accounting Standards notified under Section 133 of the Companies Act, 2013 and the relevant provisions thereof. Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

**2. FIXED ASSETS:**

Fixed assets are stated at cost of acquisition. Acquisition cost includes taxes, duties, freight, insurance and other incidental expenses related to acquisition and installation and are net of modvat credits, where applicable. Expenses incidental and related to projects are capitalized along with the related fixed assets, where appropriate.

**3. DEPRECIATION:**

Financial statements does not comply with the method of depreciation as specified in Schedule II of Companies Act 2013, and continued the method of depreciation as per the previous provisions of companies Act 1956.

**4. REVENUE RECOGNITION:**

Sales exclusive of taxes are recognized on dispatch. Price adjustments for sales made during a year are recorded upon receipt of confirmation from customer.

**5. FOREIGN CURRENCY TRANSACTIONS:**

During the year, the company has not entered any foreign transaction.

**6. TAXATION :**

Income taxes are accrued in the same period that the related revenue and expenses arise. A provision is made for income tax, based on the tax liability computed, after considering tax allowances and exemptions. Provisions are recorded when it is estimated that a liability due to disallowances or other matters is probable. Minimum alternate tax (MAT) paid in accordance with the tax laws, which gives rise to future economic benefits in the form of tax credit against future income tax liability, is recognized as an asset in the Balance Sheet.

**7. CASH AND CASH EQUIVALENTS:**

Cash and cash equivalents comprise cash and cash on deposit with banks and corporations. The Group considers all highly liquid investments with a remaining maturity at the date of purchase of three months or less and that are readily convertible to known amounts of cash to be cash equivalents.

**8. CASH FLOWS STATEMENT:**

Cash flows are reported using the indirect method, whereby profit before tax 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 Group are segregated.

**9. EARNING PER SHARE:**

Basic earnings per share is computed by dividing the net profit after tax by the weighted average number of equity shares outstanding during the period. Diluted earnings per share is computed by dividing the profit after tax by the weighted average number of equity shares considered for deriving basic earnings per share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares.

**10. SEGMENTAL REPORTING :**

Company operates in a single business segment and therefore no separate segment reporting has been done.

DEEPTI ALLOY STEEL LTD

**Notes forming part of the Financial Statement and Significant Accounting Policies**

**Note 15 Related Party Transactions**

**Details of Related Parties:**

Names of Related Parties	Description of Relationship	Remuneration	Rent

Note: Related parties have been identified by the Management.

**Note 16 FOB Value of Exports**

Particulars	Year ended 31/03/2016	Year ended 31/03/2015
<b>Total</b>	0.00	0.00

**Note 17 CIF Value of Import**

Particulars	Year ended 31/03/2016	Year ended 31/03/2015
<b>Total</b>	0.00	0.00

**Note 18 Expenditure in Foreign Currency**

Particulars	Year ended 31/03/2016	Year ended 31/03/2015
<b>Total</b>	0.00	0.00

**Note 19 Disclosure as required by Accounting Standard – AS 17 “Segment Reporting”**

The entire operations of the Company relate to only one segment viz. Trading. As such, there is no separate reportable segment under Accounting Standard-AS 17 on Segment Reporting.

**Note 20 Disclosure as required by Accounting Standard – AS 20 “Earning Per Share”, issued by the Institute of chartered Accountants of India**

The Company has not issued any potential diluted equity share and therefore the Basic and Diluted

Particulars	2015-16		2014-15	
(i) Profit after tax before Exceptional Item		-402,209		-251,953
(ii) Profit after tax and exceptional Items		-823,872		-251,953
iii) Closing Equity Shares Outstanding (Nos.)	3,850,400		3,850,400	
Opening Equity shares outstanding (Nos.)	3,850,400		3,850,400	
Add:- issued during the year (Nos.)	-		-	
Closing Equity Shares Outstanding (Nos.)		3,850,400		3,850,400
(iv) Weighted Avg no. of shares outstanding - Basic		3,850,400		3,850,400
(v) Weighted Avg no. of shares outstanding - Diluted		3,850,400		3,850,400
(vi) Nominal value of equity share (Rs.)		10.00		10.00
<b>Basic EPS</b>				

**DEEPTI ALLOY STEEL LTD**

**Notes forming part of the Financial Statement and Significant Accounting Policies**

(vii) Earning per share before Exceptional Item (i/iv)		-0.10		-0.07
(viii) Earning per share after Exceptional Item (ii/iv)		-0.21		-0.07
<b>Diluted EPS</b>				
(ix) Earning per share before Exceptional Item (i/v)		-0.10		-0.07
(x) Earning per share after Exceptional Item (ii/v)		-0.21		-0.07

As per our report of even date.

For and on behalf of the Board of Directors  
**For, Deepti Alloy Steel Limited**

**For, Marmik G. Shah & Associates**  
**Chartered Accountant**  
Firm Reg. No. :135024W

**Parikshit Mahatma**  
**Whole-Time Director**  
DIN: 01599675

**Sangitaben Jain**  
**Director**  
DIN: 01923253

CA KENAN SATYAWADI  
Partner  
Membership No. 139533

**Darshil Hiranandani**  
**Chief Financial Officer**

**Riddhi Shah**  
**Company Secretary**

**Place:** Ahmedabad  
**Date:** May 31, 2016

**Place:** Ahmedabad  
**Date:** May 31, 2016

**INDEPENDENT AUDITOR'S REPORT**

To,

**The members of DEEPTI ALLOY STEEL LIMITED**

**Report on the Financial Statements**

We have audited the accompanying consolidated financial statements of **DEEPTI ALLOY STEEL LIMITED** ("the holding Company" and its subsidiary together referred to as "the Group") and jointly controlled entities, comprising of the consolidated Balance sheet as at **31/03/2016**, the consolidated Statement of Profit and Loss, consolidated **cash flow statement** for the year then ended, and a summary of the significant accounting policies and other explanatory information.

**Management's Responsibility for the Consolidated Financial Statements**

The Holding Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the holding company, as aforesaid.

**Auditor's Responsibility**

Our responsibility is to express an opinion on these consolidated financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

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

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the financial statements.

We did not audit the financial statements of 1(One) (Shankheshwer Infraproject Private Limited) subsidiary included in the consolidated quarterly financial results and consolidated year to date results, whose consolidated interim financial statements reflect total assets of Rs. 2,06,95,5647 as at March 31, 2016; as well as the total revenue of Rs. 334.339.526 as at March 31, 2016. These interim financial statements and other financial information have been audited by other auditors whose report(s) has (have) been furnished to us, and our opinion on the quarterly financial results and the year to date results, to the extent they have been derived from such interim financial statements is based solely on the report of such other auditors.



Because of the matter described in the Basis for Disclaimer of Opinion paragraph, however, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion.

### **Basis of Disclaimer of Opinion**

*We would like to draw attention to the fact that we have been appointed as auditors of the Company after March 31, 2016 accordingly, we were unable to satisfy ourselves by alternative means concerning the cash held at March 31, 2016 and March 31, 2015 which are stated in the consolidated Balance Sheet.*

*In addition, the introduction of a new computerized accounting system has resulted in data corruption and resulted in numerous errors in accounts receivable/payable in the books of the company. As of the date of our audit report, Management was still in the process of rectifying the system deficiencies and correcting the errors. We were unable to confirm or verify by alternative means accounts receivable/payable included in the consolidated Balance Sheet as at March 31, 2016.*

*As a result of these matters, we were unable to determine whether any adjustments might have been found necessary in respect of recorded or unrecorded transactions and accounts receivable/payable in the consolidated Balance Sheet, and the corresponding elements making up the consolidated Statement of Profit and Loss and Cash Flow statement.*

*In relation to the company we have not been able to verify the transactional documents relating the sale of fixed assets, further the account with HDFC bank has been ceased by the commercial tax department and therefore account statement of the same has not been available, therefore we are unable to determine whether any adjustments might have been found necessary in respect of recorded or unrecorded transaction with respect to such transaction.*

*The Consolidated financial statements does not comply with the method of depreciation as specified in Schedule II of Companies Act 2013, and continued the method of depreciation as per the previous provisions of companies Act 1956.*

### **Opinion:**

***Because of the significance of the matters described in the Basis for Disclaimer of Opinion paragraph, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on those matters. Accordingly, we do not express an opinion relating to those portions of on the financial statements Subject to the items specified in above paragraph, in our opinion and to the best of our information and according to the explanations given to us these consolidated financial statements are true and fair.;***

### **Other matters**

We did not audit the financial statements of subsidiary company whose financial statements reflect in the consolidated financial statements. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiary is based solely on the reports of other auditors.

Our opinion on the consolidated financial statements, and our report on other Legal and Regulatory Requirements below is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements certified by the management.

### **Report on Other Legal and Regulatory Requirements**

As required by the Companies (Auditors' Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub section (11) of section 143 of the Companies Act, 2013. We give in the Annexure A statements on the matters specified in paragraphs 3 and 4 of the order, to the extent applicable.

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

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
- b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books and the reports of the other auditors..
- c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and **and the Consolidated cash flow statement** dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the consolidated financial statements.

- d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. Except as specified in basis of disclaimer paragraph.
- e) On the basis of the written representations received from the directors as on **31/03/2016** taken on record by the Board of Directors of holding company and the reports of the statutory auditor of its subsidiary company incorporated in India, none of the directors of the Group company is disqualified as on **31/03/2016** from being appointed as a director in terms of Section 164 (2) of the Act.
- f) With respect to the adequacy of the internal financial controls over financial reporting and the operating effectiveness of such controls, refer to our report in "Annexure-A" which is based on the auditors reports of the Holding Company, subsidiary company incorporated in India our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Holding company's, subsidiary company incorporated in India internal financial controls over financial reporting.
- g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Consolidated financial statements disclose the impact of pending litigations on its financial position in its financial position in its financial statements in accordance with the generally accepted accounting practice-also refer note 38 to the financial statements.
  - ii. The Group did not have any long term contracts including derivative contracts for which there were any material foreseeable losses.
  - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company and its subsidiary company incorporated in India.

**For, Marmik G. Shah & Associates**  
**Chartered Accountant**  
Firm Reg. No. :135024W

**Place:** Ahmedabad  
**Date:** May 31, 2016

**CA KENAN SATYAWADI**  
**Partner**  
**Membership No. 139533**

**“Annexure A” to the Independent Auditor’s Report of even date on the Consolidated Financial Statements of DEEPTI ALLOY STEEL LIMITED Company limited**

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

We have audited the internal financial controls over financial reporting of DEEPTI ALLOY STEEL LIMITED Company Limited by shares (“The Company”) as of March 31, 2016 in conjunction with our audit of the consolidated 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 amount the adequacy of the internal financial control system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and operating effectiveness of internal control based on the assessed risk. The procedures selected depend upon on the auditor’s judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

**Meaning of Internal Financial Controls over Financial Reporting**

A company’s internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal financial control over financial reporting includes those policies and procedures that

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

**Inherent Limitations of Internal Financial Controls over Financial Reporting**

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

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

**Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2016, 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 issues by the Institute of Chartered Accountants of India.

**Other matters**

Our aforesaid report under section 143(3)( i ) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting in so far as it relates to one subsidiary company , which is incorporated in India ,is based on the corresponding reports of the auditors of such company incorporated in India.

**For, Marmik G. Shah & Associates**  
**Chartered Accountant**  
Firm Reg. No. :135024W

**Place:** Ahmedabad  
**Date:** May 31, 2016

**CA KENAN SATYAWADI**  
**Partner**  
**Membership No. 139533**

## DEEPTI ALLOY STEEL LIMITED

## CONSOLIDATED FINANCIAL STATEMENTS DEEPTI ALLOY STEEL LTD.

Balance Sheet as at 31st March, 2016

(Amount in Rs.)

	Note No.	As at 3/31/2016
<b>EQUITY AND LIABILITIES</b>		
<b>Shareholders' funds</b>		
Share capital	2	38,504,000
Reserves and surplus	3	(7,407,275)
<b>Minority Interest</b>		
		-
<b>Non Current liabilities</b>		
Long-Term Borrowings	4	20,004,603
Unsecured Loans		511,800
Deffered Tax(Liability)		9,568
<b>Current liabilities</b>		
Other Current liability	5	581,167
Trade payables	6	179,532,681
Short Term Provision	7	3,554,650
<b>TOTAL</b>		<b>235,291,194</b>
<b>ASSETS</b>		
<b>Non-current assets</b>		
<b>Fixed Assets</b>		
Tangible Assets	8	402,718
Long Term Loans & Advances	9	18,046,000
Non-current investments		
<b>Current assets</b>		
Trade receivables	10	138,368,459
Short Term Loans and Advances	11	45,479,320
Cash and Cash Equivalents	12	32,994,697
<b>TOTAL</b>		<b>216,842,476</b>
		<b>235,291,194</b>

Significant Accounting Policies

1

The accompanying notes from 1 to 20 are integral part of financial statements.  
As per our report of even date.

For and on behalf of the Board of Directors  
For, Deepti Alloy Steel Limited

For, Marmik G. Shah & Associates  
Chartered Accountant

Firm Reg. No. :135024W

Parikshit Mahatma  
Whole-Time Director  
DIN: 01599675

Sangitaben Jain  
Director  
DIN: 01923253

CA KENAN SATYAWADI  
Partner  
Membership No. 139533

Darshil Hiranandani  
Chief Financial Officer

Riddhi Shah  
Company Secretary

Place: Ahmedabad  
Date: May 31, 2016

Place: Ahmedabad  
Date: May 31, 2016

**DEEPTI ALLOY STEEL LIMITED**  
**CONSOLIDATED FINANCIAL STATEMENTS DEEPTI ALLOY STEEL LTD.**  
**Statement of Profit and Loss for the year ended 31 March, 2016**

	Note No.	Year ended 3/31/2016
<b>Income</b>		
Revenue from operations	13	332,360,482
Other Income	14	6,408,108
<b>Total revenue</b>		<b>338,768,590</b>
<b>Expenses</b>		
Direct Expense	15	322,051,000
Depriciation	8	432,655
Cost of materials consumed	16	3,527,604
Employee benefits expenses	17	3,808,350
Other expenses	18	6,202,529
Financial Charges	19	29,057
<b>Total expenses</b>		<b>336,051,195</b>
<b>Profit / (Loss) before tax</b>		2,717,395
<b>Exceptional Items</b>		421,663
<b>Tax expense:</b>		
Current Income Tax		968,000
Deffered Tax		9,568
<b>Profit / (Loss) for the year</b>		<b>1,318,164</b>
<b>Pre acq profit adj against good will</b>		1,785,030
		(466,866)
<b>Basic and Diluted EPS</b>		<b>0.34</b>

Significant Accounting Policies

1

The accompanying notes from 1 to 20 are integral part of financial statements.

As per our report of even date.

For and on behalf of the Board of Directors

**For, Deepti Alloy Steel Limited****For, Marmik G. Shah & Associates****Chartered Accountant**

Firm Reg. No. :135024W

**Parikshit Mahatma**  
**Whole-Time Director**  
**DIN: 01599675**

**Sangitaben Jain**  
**Director**  
**DIN: 01923253**

CA KENAN SATYAWADI

Partner

Membership No. 139533

**Darshil Hiranandani**  
**Chief Financial Officer**

**Riddhi Shah**  
**Company Secretary**

**Place:** Ahmedabad**Date:** May 31, 2016**Place:** Ahmedabad**Date:** May 31, 2016

## DEEPTI ALLOY STEEL LIMITED

Notes to the financial statements for the year ended on 31st March, 2016

(Amount in Rs.)

## 2. Share capital

Particulars	As at 31st March, 2016	
	Number of shares	Rs.
45,00,000 Equity shares of Rs.10 each	4,500,000	45,000,000
Issued, Subscribed & Paid up 38,50,400 Equity shares of Rs.10 each	3,850,400	38,504,000
<b>Total</b>	<b>3,850,400</b>	<b>38,504,000</b>

## 2.1 Unpaid Calls

By Directors

By Officers

## 2.2 Particulars of Shares holders holding more than 5% of the Shares Capital:

Name of Shareholder	No of Shares	% Of holding
Ramesh T Agrawal	940,700	24
Parikshit Mahatma	417,000	11
Sangita Jain	388,440	10
Jyoti fabrics	207,200	5
Vishal Textile	222,160	6

## 2.3 Reconciliation of the shares outstanding at the beginning and at the end of the reporting period:

Particulars	Opening Balance	Issue	Buy back	Closing Balance
<b>Equity shares</b>				
Year ended 31st March, 2016				
- Number of shares	3,850,400	-	-	3,850,400
- Amount (Rs)	38,504,000	-	-	38,504,000

2.4 The Company has only one class of shares referred to as equity shares with a face value of 10 per share. Each holder is entitled to one vote per share.

2.5 Fully paid up equity shares issued pursuant to contract(s) without payment

Being received in cash in the last five years

Nil

2.6 Fully paid up equity shares by way of bonus shares in the last five years

Nil

2.7 Shares bought back in the five years

Nil

## DEEPTI ALLOY STEEL LIMITED

Notes to the financial statements for the year ended on 31st March, 2016

## 3. Reserves and surplus

Particulars	As at 3/31/2016
<b>Capital Reserve:</b>	
Opening Balance	9,248,500
Addition	785,064
Closing Balance	10,033,564
<b>Securities Premium</b>	27,745,500
<b>Profit and loss account :</b>	
Balance as per last financial statement	(44,719,474)
Add:Addition	(823,872)
Add:Post Part	357,006
Closing balance	(45,186,340)
<b>Total</b>	<b>(7,407,275)</b>

<b>4. Long Term Borrowings</b>	
Unsecured Loan from Others	20,004,603
<b>Total</b>	<b>20,004,603</b>

<b>5. Other Current Liabilities</b>	
Vat Payable	581,167
<b>Total</b>	<b>581,167</b>

<b>6. Trade payables</b>	
Other Trade payables	179,532,681
<b>Total</b>	<b>179,532,681</b>

<b>7. Short Term Provision</b>	
Unpaid Service Tax	330,600
Provision For Taxation	226,050
Unpaid Legal Profession	10,000
Provision for Audit Fees	10,000
Provision for IT	968,000
Unpaid TDS	2,010,000
<b>Total</b>	<b>3,554,650</b>



## DEEPTI ALLOY STEEL LIMITED

Notes to the financial statements for the year ended on 31st March, 2016

Particulars	As at 3/31/2016
<b>9. Long Term Loans &amp; Advances</b>	
Security deposit	46,000
Advance Against Property	18,000,000
<b>Total</b>	<b>18,046,000</b>
<b>10. Trade receivables</b>	
Trade receivables	138,368,459
<b>Total</b>	<b>138,368,459</b>
<b>11. Short term loans &amp; advances</b>	
Deposit	23,181,815
Loans to others	22,297,505
<b>Total</b>	<b>45,479,320</b>
<b>12. Cash &amp; Cash Equivalents</b>	
<b>Cash on hand</b>	1,304,655
<b>Balance with Bank</b>	
HDFC Bank	47,021
Indisund Bank	8,889,624
IDBI Bank	12,379,356
Kotak Mahindra Bank	5,443,713
Cosmos Co-Op Bank Ltd.	4,930,328
<b>Total</b>	<b>32,994,697</b>

## DEEPTI ALLOY STEEL LIMITED

Notes to the financial statements for the year ended on 31st March, 2016

<b>13. Revenue from operations</b>	
<b>Particulars</b>	<b>Year ended 3/31/2016</b>
Income from operation	4,202,467
Other Income	226,600
Contract Income	327,931,415
<b>Total</b>	<b>332,360,482</b>

**14. Other Income**

<b>Particulars</b>	<b>Year ended 3/31/2016</b>
Interest Income	1,229,508
Consultancy Income	1,107,000
Rent Income	2,834,400
Security Charges	1,237,200
<b>Total</b>	<b>6,408,108</b>

**15. Direct Expenses**

<b>Particulars</b>	<b>Year ended 3/31/2016</b>
Contract Work Paid	231,000,000
Commission Paid	86,000,000
Crop Compensation	810,000
Development Charges	
Land Survey Fees	4,241,000
Stamp Charges	-
<b>Total</b>	<b>322,051,000</b>

**16. Cost of materials consumed**

<b>Particulars</b>	<b>Year ended 3/31/2016</b>
Opening Inventory	-
Add: Purchase(Net)	3,527,604
Closing Inventory	-
<b>Total</b>	<b>3,527,604</b>

**17. Employee benefits expenses**

<b>Particulars</b>	<b>Year ended 3/31/2016</b>
Salary, wages and bonus	2,485,000
Staff Salary expenses	123,350
Remuneration to Directors	1,200,000
<b>Total</b>	<b>3,808,350</b>

**18. Other expenses**

<b>Particulars</b>	<b>Year ended 3/31/2016</b>
Audit fees	109,875
Legal & Professional charges	1,036,000
Donation	22,000

## Consolidated Financial Statement

Listing Fees	561,800
Offic expenses	106,079
Registration Charges	2,294,110
Courier Charges	11,592
Telephone Expenses	24,000
Travelling & Conveyance Expenses	729,445
Other Expenses	10,000
Interest Expenses	763,455
Electrivity Expense	10,906
Insurance Expenses	15,001
Income Tax Paid	21,544
Pay Card Charges	486,722
<b>Total</b>	<b>6,202,529</b>

### 19. Financial Charges

Particulars	Year ended 3/31/2016
Bank Charges	2,057
Interest paid	27,000
<b>Total</b>	<b>29,057</b>

## DEEPTI ALLOY STEEL LIMITED

Schedules Forming Integral Part of the Balance Sheet as at 31st March, 2016

## Schedule : 8 Fixed Asset

## I. Fixed Assets

Sr. No	Particulars	Gross Block				Depreciaton				Net Block	
		Value at the beginning	Addition during the year	Deduction during the year	Value at the end	Old Value at the beginning	Addition during the year	Deduction during the year	Value at the end	WDV as on 31.03.2016	WDV as on 31.03.2015
<b>I</b>	<b><u>Tangible Assets</u></b>										
1	Land & Building	10,587,308	-	10,587,308	-	-	-	-	-	-	10,587,308
2	Plant & Machinery	7,371,286	-	7,371,286	-	386,891	386,891	(386,891)	-	-	7,371,286
3	Furniture & Fittings	103,241	-	103,241	-	7,482	7,482	(7,482)	-	-	103,241
4	Air Conditioner	-	100,000	-	100,000	-	414	-	414	99,586	-
5	Office Appliances	-	341,000	-	341,000	-	37,868	-	37,868	303,132	-
	<b>SUB TOTAL (A)</b>	<b>18,061,835</b>	<b>441,000</b>	<b>18,061,835</b>	<b>441,000</b>	<b>394,373</b>	<b>432,655</b>	<b>(394,373)</b>	<b>38,282</b>	<b>402,718</b>	<b>18,061,835</b>
	<b>Total (Current Year)</b>	<b>18,061,835</b>		<b>18,061,835</b>	<b>441,000</b>	<b>394,373</b>	<b>432,655</b>	<b>(394,373)</b>	<b>38,282</b>	<b>402,718</b>	<b>18,061,835</b>
	<b>(Previous Year)</b>	<b>18,850,581</b>	-	-	-	<b>394,373</b>	<b>394,373</b>	-	<b>38,282</b>	-	<b>18,061,835</b>

# Deepti Alloy Steel Limited

CIN: L27109GJ1993PLC018943

Regd. Office: 317, Village - Kharval, Taluko - Dharampur, Dist. Valsad – 396 050.

Phone: 0260-2421575 Email: [investor.deepti@gmail.com](mailto:investor.deepti@gmail.com) Website: [www.deeptialloysteel.com](http://www.deeptialloysteel.com)

## ATTENDANCE SLIP

Regd. Folio No./DP Id No.*/Client Id No.*	
No. of Shares held	
Name and Address of the First Shareholder (IN BLOCK LETTERS)	
Name of the Joint holder (if any)	

\*Applicable for investor holding shares in electronic form.

I/we hereby record my/our presence at the 24<sup>th</sup> Annual General Meeting of the Members of Deepti Alloy Steel Limited to be held on Wednesday, August 10, 2016 at 04.00 p.m. at the registered office of the Company situated at 317, Village - Kharval, Taluko - Dharampur, Dist. Valsad – 396 050.

\_\_\_\_\_

**Member's/Proxy's Name in Block Letters**

\_\_\_\_\_

**Member's/Proxy's Signature**

### Notes:

1. A Member/Proxy holder wishing to attend the meeting must bring the Attendance Slip to the Meeting and handover at the entrance duly signed.
2. Only shareholders of the Company and/or their Proxy will be allowed to attend the Meeting.

# Deepti Alloy Steel Limited

CIN: L27109GJ1993PLC018943

Regd. Office: 317, Village - Kharval, Taluko - Dharampur, Dist. Valsad – 396 050.

Phone: 0260-2421575 Email: [investor.deepti@gmail.com](mailto:investor.deepti@gmail.com) Website: [www.deeptialloysteel.com](http://www.deeptialloysteel.com)

## PROXY FORM

(Form No. MGT-11 - Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014)

Name of the member(s)	
Registered Address	
E-mail Id	
Folio No/Client 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: \_\_\_\_\_ or failing him

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the and at the 24<sup>th</sup> Annual General Meeting of the Members of Deepti Alloy Steel Limited to be held on Wednesday, August 10, 2016 at 04.00 p.m. at the registered office of the Company situated at 317, Village - Kharval, Taluko - Dharampur, Dist. Valsad – 396 050 any adjournment thereof in respect of such resolutions as are indicated below:

### Ordinary Businesses:

1. To receive, consider and adopt:

- Audited standalone financial statement of account for the financial year ended on March 31, 2016 together with the reports of the Board of Directors' and the Auditors' thereon and
- Audited Consolidated Financial Statements of the Company for the Financial Year ended March 31, 2016, together with the report of the Auditors' thereon.

2. To appoint a Director in place of Mr. Parikshit Mahatama (DIN: 01599675), Whole-time Director of the Company, who retires by rotation and being eligible, offers himself for re-appointment.

3. Appointment of Statutory Auditor and to fix their remuneration.

### Special Businesses:

4. Appointment cum Ratification of appointment of M/s. Marmik G Shah & Associates, Chartered Accountants, Ahmedabad for the Financial Year 2015-16.

5. Appointment of Mr. Parikshit Mahatama as a Whole - time Director of the Company

6. Appointment of Mrs. Sangitaben Jain as a Non-Executive Director of the Company.

7. Appointment of Mr. Narayansinh Chauhan as an Independent Director of the Company.

Signed this.....day of.....2016

\_\_\_\_\_  
Signature of shareholder

\_\_\_\_\_  
Signature of Proxy holder(s)

Affix  
Revenue  
Stamp  
(Rs. 1)

**Note:** This form of proxy in order to be effective should be duly completed, signed, stamped and be deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Extra-Ordinary General Meeting.

