BAHETI METAL & FERRO ALLOYS LIMITED

[CIN: - U27109GJ1994PLC024001]

26TH ANNUAL REPORT

2019-2020

BAHETI METAL & FERRO ALLOYS LIMITED

BOARD OF DIRECTORS		SHANKERLAL BANSILAL SHAH -	CHAIRMAN
		SAVITABEN SHANKERLAL SHAH -	DIRECTOR
		BALKISHAN SHANKERLAL SHAH -	DIRECTOR
		GOPALLAL LAXMINARAYAN BANGUR -	DIRECTOR
		KUSHAL MAHESHWARI -	DIRECTOR
AUDITORS	:	WADHAWAN & CO. CHARTERED ACCOUNTANTS AHMEDABAD	
REGD. OFFICE	:	A/2/3 L R APPARTMENTOPP: OPP. POLICE COMMISSIONER OFFICE SHAHIBAUG, AHMEDABAD, GUJARAT.	
BANKERS	:	AXIS BANK STATE BANK OF INDIA	

Tele. : 2754 2129

WADHAWAN & Co.
CHARTERED ACCOUNTANTS
703, 'Sarap', Building,
Opp. Navjivan Press,
Navjivan,
Ahmedabad - 380 014.

Independent Auditor's Report

To the Members of
BAHETI METAL & FERRO ALLOYS LIMITED

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

We have audited the accompanying financial statements of BAHETI METAL & FERRO ALLOYS LIMITED ("the company"), which comprise the Balance Sheet as at 31st March, 2020, the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as "financial statement").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with the Accounting Standards prescribed under section 133 of the Act read with rule 7 of the Companies (Accounts) Rules, 2014, and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, and its profit and cash flow for the year ended on that date.

Basis for opinion

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

Emphasis of Matter:

We draw attention to Note no 32 to the Financial Statement which describe the uncertainties and the management's assessment of the financial impact due to lock-down and other restrictions and conditions related to COVID-19 pandemic situation for which a definitive assessment of the impact in subsequent period is highly dependent on future economic development and circumstances as they evolve. Our opinion is not modified in respect of this matter.

Other information

The Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's annual report, but does not include the financial statements and our auditors' report thereon.

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

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

Management's responsibility for the 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 along with cash flow 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 the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's responsibilities for the audit of the financial statements

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

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

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

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

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

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

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

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

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

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

Other Matters:
On account of the COVID-19 related lockdown restriction, Management was not able to perform the year end physical verification of Inventories. Consequently, we have performed alternative audit performance to audit existence of inventory as per guidance provided in SA 501 "Audit Evidence- Specific consideration to Selected items" which includes cyclical counts performed by the management during the year, roll forward procedures and their supporting documents relating to purchases, production and sales and have obtained sufficient audit evidence to issued our unmodified opinion on these financial results.

Report on other legal and regulatory requirements

1. This report includes a statement on the matters specified in paragraph 3 and 4 of the Companies (Auditor's Report) Order, 2016, issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013 (hereinafter referred to as the "Order") as Annexure-A.

2. 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 beliefs were necessary for the purposes of our audit;

   b. In our opinion proper books of accounts as required by Law have been kept by the Company so far as it appears from our examinations of those books;

   c. The Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this report are in agreement with the relevant 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 relevant rules issued there under;

e. On the basis of written representations received from the directors and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2020 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 the requirements of section 197(16) of the Act, as amended, In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

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

   i. There are no litigations by or against the company as at 31st March, 2020.

   ii. The company is not executing hedging contracts for imports and exports made. However, their impact is such that there shall not be any long term material foreseeable losses.

   iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

FOR, WADHAWAN & CO.
CHARTERED ACCOUNTANTS
FRN:- 129455W
Ajit Wadhawan
AJIT A WADHAWAN
PARTNER
MEMBERSHIP NO.:- 032886
UDIN: 20032886AAAACV6436

PLACE: - AHMEDABAD
DATE: - 27/10/2020

WADHAWAN & CO. AHMEDABAD CHARTERED ACCOUNTANTS

(b) According to the information and explanation given to us, there are no dues of income tax, sales tax, service tax, duty of customs, duty of excise, value added tax outstanding on account of any dispute.

viii) In our opinion and according to the information and explanations given to us, the company has not defaulted in repayment of loans or borrowing outside at the year ending to financial institutions or banks on the date of our audit report; company has not taken any loan from government company. Company has not issued any debentures.

ix) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments). The term loans taken during the year have been applied for the purposes for which those are raised. Accordingly, other disclosure requirement of paragraph 3 (ix) of the order is not applicable.

x) Based upon the audit procedures performed and the information and explanations given by the management, we report that no fraud by the Company or on the company by its officers or employees has been noticed or reported during the year.

xi) According to the information and explanations given to us, the Company had paid Managerial remuneration as provided in accordance with the requisite approvals mandated by the provisions of section 197 read with schedule V to "the Companies Act, 2013."

xii) The Company is not a Nidhi Company and accordingly, paragraph 3 (xii) of the order is not applicable to the Company.

xiii) According to the information and explanations given to us and based on our examination of the records of the company, transactions with the related parties are in compliance with section 177 and 188 of the Act. Where applicable, the details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.

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

xv) According to the information and explanations given to us and based on our examination of the records of the company, the company has not entered into non-cash transactions with directors or persons connected with them. Accordingly, paragraph 3(xv) of the order is not applicable.

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

FOR, WADHAWAN & CO.
CHARTERED ACCOUNTANTS
FRN:- 129455W

AJIT A WADHAWAN
PARTNER
MEMBERSHIP NO.:- 032886
UDIN: 20032886AAAACV6436

PLACE: - AHMEDABAD
DATE: - 27/10/2020

WADHAWAN & CO. AHMEDABAD CHARTERED ACCOUNTANTS

ANNEXURE – A TO THE INDEPENDENT AUDITORS' REPORT

To the Members of
BAHETI METAL & FERRO ALLOYS LIMITED

Referred to in paragraph (1) under the heading of "Report on Other Legal and Regulatory requirements" of our Report of even date

i)

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

(b) All Fixed assets have been physically verified by the management at reasonable intervals. In our opinion, the interval is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.

(c) According to the information and explanations given to us, the records examined by us and based on the examination of the documents provided to us, we report that, the title deeds, comprising all the immovable properties of land and buildings which are freehold, are held in the name of the Company as at the balance sheet date.

ii) The management has conducted the physical verification of inventory at reasonable intervals. There were no discrepancies noticed on physical verification of the inventory as compared to books records.

iii) According to information and explanation given to us, the company has not granted any loan, secured or unsecured to companies, firms, limited liability partnerships or other parties covered in the register required under section 189 of the Companies Act, 2013. Accordingly, paragraph 3 (iii) (a), 3 (iii) (b) and 3 (iii) (c) of the order is not applicable.

iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Section 185 and 186 of the Companies Act, 2013 with respect to the loans, guaranties, securities and investments made.

v) In our opinion and according to the information and explanations given to us, the company has not accepted any deposits and accordingly paragraph 3 (v) of the order is not applicable. According to the information and explanations given to us, no Order has been passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any Court or any other Tribunal on the company in respect of the aforesaid deposits.

vi) The maintenance of cost records have not been specified by the Central Government of India under sub-section (1) of section 148 of the Companies Act, 2013 read with the Companies (Cost records & Audit) Rules, 2014. Accordingly, Clause 3(vi) of the Order is not applicable to the Company.

vii)

(a) According to information and explanations given to us and on the basis of our examination of the books of account, and records, the Company has been generally regular in depositing undisputed statutory dues including Provident Fund, Employees State Insurance, Sales Tax, Income-Tax, Value added Tax, Cess and any other statutory dues with the appropriate authorities. As explained to us the company did not have any dues on account of Duty of Customs and Duty of Excise.

According to the information and explanations given to us, no undisputed amounts payable in respect of the above were in arrears as at March 31, 2020 for a period of more than six months from the date on when they become payable.

ANNEXURE – B TO THE INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF
BAHETI METAL & FERRO ALLOYS 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 Baheti Metal & Ferro Alloys Limited ("the Company") as of March 31, 2020 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

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

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

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

Meaning of Internal Financial Controls Over Financial Reporting
The company 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. The company 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 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 have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2020, based on the internal control over financial reporting criteria established by the company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of chartered accountants of India.

FOR, WADHAWAN & CO.
CHARTERED ACCOUNTANTS
FRN:- 129455W

AJIT A WADHAWAN
PARTNER
MEMBERSHIP NO.:- 032886
UDIN: 20032886AAAACV6436

PLACE: - AHMEDABAD
DATE: - 27/10/2020

WADHAWAN & CO. AHMEDABAD CHARTERED ACCOUNTANTS

BAHETI METAL & FERRO ALLOYS LIMITED
NOTES FORMING PART OF ACCOUNTS

NOTE – 1
SIGNIFICANT ACCOUNTING POLICIES:

1.1 NATURE OF OPERATIONS
The company was incorporated in December, 1994. The company is engaged in the business of Manufacturing of Ferro Alloys & aluminum cubes, Notch bar, Shots etc.

1.2 BASIS OF PREPARATION OF ACCOUNTS
The Company adopts the accrual concept in the preparation of the accounts. The financial statements have been prepared under the historical cost convention, on the basis of going concern and on accrual basis except as stated otherwise.

1.3 RELAVANT ACCOUNTING STANDARDS:
The financial statements have been prepared and presented under the historical cost convention on the accrual basis of accounting and comply with the Generally Accepted Accounting Principles in India (GAAP) and the notified accounting standards prescribed u/s 133 of the Companies Act, 2013, read with rule 7 of the Companies (Accounts) Rules,2014 to the extent applicable.

1.4 CLASSIFICATION OF ASSETS AND LIABILITIES:
All the assets and liabilities have been classified as current or noncurrent as per the Company's normal operating cycle and other criteria set out in Schedule III to the Companies Act, 2013. Based on the nature of products and the time between the acquisition of assets or processing and their realization in cash and cash equivalent, the Company has ascertained its operating cycle to be 12 months for the purpose of current – noncurrent classification of assets and liabilities.

1.5 USE OF ESTIMATES
The preparation of financial statements in conformity with Generally Accepted Accounting Principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting period. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates. Difference between the actual results and estimates are recognized in the period in which the results are known or materialized.

1.6 RECOGNITION OF INCOME & EXPENDITURE:
All Income & Expenditure are accounted for on accrual basis. However, the company is accounting for export incentive on cash basis.

1.7 FIXED ASSETS & DEPRECIATION:

A. Fixed assets are stated at Historical cost of acquisition or construction less accumulated depreciation. Cost comprises the purchase price and other attributable costs including financing costs relating to borrowed funds attributable to construction or acquisition of fixed assets up to the date the assets is ready for use and adjustments consequent to subsequent variations in rates of exchange.

B. Depreciation on fixed asset is charged over the estimated useful life of the fixed assets on a straight line basis at the rates and in the manner prescribed in Schedule II of the companies Act, 2013

BAHETI METAL & FERRO ALLOYS LIMITED
NOTES FORMING PART OF ACCOUNTS

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1.8 TAXES ON INCOME:

Income tax expense is accounted for in accordance with AS-22, "Accounting for Taxes on Income", as stated below:

(a) Provision for current tax is made based on taxable income for the year computed in accordance with provisions of the Income Tax Act,1961.

(b) Deferred tax is recognized, subject to the consideration of prudence, on timing differences, being the difference between taxable incomes and accounting income that originate in one period and are capable of reversal in one or more subsequent periods.

(c) Deferred tax is measured based on the tax rates and the tax laws enacted or substantially enacted at the balance sheet date. Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred tax assets and deferred tax liabilities relate to the taxes on income levied by same governing taxation laws.

(d) Deferred tax asset is recognized and carried forward to the extent that there is a reasonable certainty of realization. In the case of unabsorbed depreciation and carry forward tax losses deferred tax asset is recognized to the extent there is visual certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized.

1.9 IMPAIRMENT OF FIXED ASSETS:-

Consideration shall be given at each Balance sheet date to determine whether there is any indication of impairment of the carrying amount of the company's fixed assets. If any indication exists, an asset's recoverable amount is estimated. An impairment loss is recognised whenever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value based on an appropriate discount factor. However the company has no fixed asset and hence the question of any impairment loss does not arise.

1.10 RETIREMENT & OTHER EMPLOYEE BENEFITS:-

There are employees in the company and the following Accounting Policies are followed by the company.

A. Gratuity is provided for on cash basis.

B. The company has a system of providing accumulating compensating absences non-vesting and hence no provision is made in the books of accounts for the leaves

C. Entity is regularly collecting and depositing Provident Fund amount as prescribed by applicable law & regulation.

1.11 PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS

A provision is recognized when an enterprise has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

Contingent liabilities are shown by way of note in notes to accounts in respect of obligations where based on the evidence available, their existence at the balance sheet date is considered not probable. Contingent assets are neither recognized in the accounts nor disclosed.

BAHETI METAL & FERRO ALLOYS LIMITED
NOTES FORMING PART OF ACCOUNTS

1.12 EARNINGS PER SHARE

Earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

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

1.13 FOREIGN EXCHANGE

A. Foreign currency transactions are translated into the functional currency using exchange rates at the date of the transactions.

B. Monetary items are denominated in foreign currencies at the period end are not restated at year end rates.

C. Any income or expense on account of exchange difference either on settlement or on transaction is recognized in the statement of profit and loss account.

1.14 CASH FLOW 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 payment and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the company are segregated.

1.15 SALES & PURCHASES:

The sales are recorded when supply of goods take place in accordance with the terms of sales and on change of title in the goods. The sales are shown net of sales return.

The purchases are shown net of discount and purchase return.

1.16 BORROWING COST:

Borrowing costs attributable to the acquisition, construction or production of qualifying assets (i.e. assets that necessarily take substantial period of time to get ready for their intended use or sale) shall be capitalised as part of the cost of such asset up to the date when such asset is ready for its intended use or sale. Other borrowing costs shall be recognised as an expense in the period in which they are incurred.

1.17 INVENTORIES:-

A. In case of the closing stock of Raw-materials are valued at cost using FIFO method.

B. The closing stock of WIP has been valued at cost.

C. The closing stock of finished goods has been valued at cost or net realizable value whichever is less.

BAHETI METAL & FERRO ALLOYS LTD.
BALANCESHEET AS AT 31/03/2020

[AMT RS.]

PARTICULARS	NOTE		AS AT THE END OF CURRENT REPORTING PERIOD 31-03-2020	AS AT THE END OF PREVIOUS REPORTING PERIOD 31-03-2019
I EQUITY & LIABILITIES				
1 SHAREHOLDERS' FUNDS:-				
(a) Share Capital	2	37500000		37500000
(b) Reserve & Surplus	3	67453355		65393623
			104953355	102893623
2 NON CURRENT LIABILITY				
(a)Long term borrowings	4	20005577		32830203
(b)Deferred Tax Liability (Net)	5	5926829		5265130
			25932406	38095333
3 CURRENT LIABILITIES:-				
(a) Short term Borrowings	6	291883784		251279207
(b) Short term Provision	7	1483815		808787
(c) Trade Payables	8	17873059		39537777
(d) Other Current liabilities	9	8730382		12733935
			319971040	304359706
TOTAL			**450856801**	**445348662**
II ASSETS				
1 NON-CURRENT ASSETS:				
(a) Property Plant & Equipmnets -Tangible Assets	10		63303999	58010420
			63303999	58010420
2 CURRENT ASSETS:				
(a) Inventories	11	149417699		192971907
(b) Trade Receivables	12	214394304		159836464
(c) Cash & Cash Equivalents	13	2005541		1865341
(d) Other Current Assets	14	21735258		32664530
			387552802	387338242
TOTAL			**450856801**	**445348662**
III Significant Accounting Policies & Notes Forming Part of Accounts	1 TO 41			

AS PER OUR REPORT OF EVEN DATE
FOR WADHAWAN & CO.
CHARTERED ACCOUNTANTS
FRN:- 129455W

Ajit Wadhawan

AJIT A. WADHAWAN
PARTNER
MEM. NO.032886
UDIN:- 20032886AAAACV6436

PLACE : AHMEDABAD
DATE : 27/10/2020

ON BEHALF OF THE BOARD OF DIRECTORS

Shankerlal

SHANKERLAL B.SHAH
CHAIRMAN
[DIN: 00131715]

PLACE : AHMEDABAD
DATE : 27/10/2020

Savita S. Sha

SAVITABEN S.SHAH
DIRECTOR
[DIN: 00131134]

BAHETI METAL & FERRO ALLOYS LTD.

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED ON 31ST MARCH 2020. [AMT RS.]

PARTICULARS	NOTE		FOR THE CURRENT REPORTING PERIOD 2019-2020	FOR THE PREVIOUS REPORTING PERIOD 2018-2019
I INCOME:-				
(a) Revenue From Operation	15		1057575424	1476602938
(b) Other Income	16		2009052	1083866
TOTAL REVENUE			**1059584476**	**1477686804**
II EXPENSES :-				
(a) Raw Material consumption	17		889319981	1306729781
(b) Change In Inventories	18		5129980	(26286880)
(c) Operating Expenses	19		44374809	57280632
(d) Employee Benefits Expense	20		57775950	63196171
(e) Finance Costs	21		28785631	29328108
(f) Depreciation			5902388	3945956
(g) Other Expenses	22		25273389	37180246
TOTAL EXPENSES			**1056562128**	**1471374014**
III Profit Before Tax			3022348	6312790
IV Less:-Tax Expenses:				
Current Tax		(285917)		(900000)
Defferred Tax		(661699)		(671110)
Short/ excess provision written off		(15000)		0
			(962616)	(1571110)
V Profit After Tax			2059732	4741679
VI Basic & Diluted Earning Per share	26			
- Before extra ordinary items			0.55	1.26
- After extra ordinary items			0.55	1.26
VII Significant Accounting Policies & Notes Forming Part of Accounts	1 TO 41			

AS PER OUR REPORT OF EVEN DATE
FOR WADHAWAN & CO.
CHARTERED ACCOUNTANTS
FRN:- 129455W

Ajit Wadhawan

AJIT A. WADHAWAN
PARTNER
MEM. NO.032886
UDIN:- 20032886AAAACV6436

PLACE : AHMEDABAD
DATE : 27/10/2020

ON BEHALF OF THE BOARD OF DIRECTORS

SHANKERLAL B.SHAH
CHAIRMAN
[DIN: 00131715]

PLACE : AHMEDABAD
DATE : 27/10/2020

Savita S. Shah

SAVITABEN S.SHAH
DIRECTOR
[DIN: 00131134]

BAHETI METAL & FERRO ALLOYS LTD.

CASH FLOW STATEMENT FOR THE YEAR 2019-2020

[AMT RS.]

	PARTICULARS	NOTE	2019-2020		2018-2019	
A	**CASH FLOW FROM OPERATING ACTIVITIES:**					
	NET PROFIT BEFORE TAX			3022348		6312790
	ADD:-					
	FINANCE COST		26973647		28475325	
	DEPRECIATIONS		5902388		3538109	
	LESS:-		0		0	
	INCOME TAX PROVISION		(285917)		(900000)	
	SHORT/ EXCESS PROVISION WRITTEN OFF		(15000)		0	
	INTEREST RECEIVED		(20867)		(386018)	
				32554251		30727416
	NET PROFIT AFTER TAX			35576599		37040206
	OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES			35576599		37040206
	ADD/LESS ADJUSTMENTS FOR					
	INVENTORIES		43554208		(93068407)	
	TRADE AND OTHER RECEIVABLES		(54557840)		84280193	
	OTHER CURRENT ASSETS		10929272		(1144003)	
	TRADE PAYABLES		(21664718)		8385133	
	OTHER CURRENT LIABILITIES		(4003553)		11538131	
	SHORT TERM PROVISION		675028		73585	
	SHORT TERM BORROWINGS		40604577		(12963961)	
			15536974		(2899329)	
	TAXES PAID		0		0	
				15536974		(2899329)
	CASH GENERATED FROM OPERATIONS			**51113573**		**34140877**
B	**CASH FLOW FROM INVESTING ACTIVITIES :**					
	PURCHASE OF FIXED ASSETS		(11195967)		(16585427)	
	SALE OF FIXED ASSETS		0		561039	
	INTEREST RECEIVED		20867		386018	
	NET CASH USED IN INVESTING ACTIVITIES			(11175100)		(15638370)
C	**CASH FLOW FROM FINANCING ACTIVITIES :**					
	PROCEEDS FROM LONG TERM BORROWINGS		(12824626)		6737700	
	INTEREST PAID		(26973647)		(28475325)	
	ISSUE OF SHARE CAPITAL		0		0	
	NET CASH USED IN FINANCING ACTIVITIES			(39798273)		(21737625)
	NET INCREASE IN CASH AND CASH EQUIVALENTS			**140200**		**(3235118)**
	OPENING BALANCE OF CASH AND CASH EQUIVALENTS			**1865341**		**5100459**
	CLOSING BALANCE OF CASH AND CASH EQUIVALENTS			**2005541**		**1865341**
	Components of Cash and Cash Equivalents					
	Cash on hand			60434		255475
	Balances with Banks			1945107		1609866
	Total			**2005541**		**1865341**
	Significant Accounting Policies & Notes Forming Part of Accounts	1				

AS PER OUR REPORT OF EVEN DATE
FOR WADHAWAN & CO.
CHARTERED ACCOUNTANTS
FRN:- 129455W

Ajit Wadhawan

AJIT A. WADHAWAN
PARTNER
MEM. NO.032886
UDIN:- 20032886AAAACV6436

PLACE : AHMEDABAD
DATE : 27/10/2020

ON BEHALF OF THE BOARD OF DIRECTORS

SHANKERLAL B.SHAH
CHAIRMAN
[DIN: 00131715]

PLACE : AHMEDABAD
DATE : 27/10/2020

Savitas Shah

SAVITABEN S.SHAH
DIRECTOR
[DIN: 00131134]

BAHETI METAL & FERRO ALLOYS LTD.
NOTES FORMING PART OF ACCOUNTS

[AMT RS.]

PARTICULARS	AS AT 31/03/2020	AS AT 31/03/2019
NOTE - 2		
SHARE CAPITAL		
Authorised Share Capital		
4000000 (P.Y. 4000000) Equity Shares of Rs 10 each	40000000	40000000
Issued & Subscribed & Paid up Capital		
3750000 (P.Y. 3750000) Equity Shares of Rs 10/- each fully paid up.	37500000	37500000
TOTAL	**37500000**	**37500000**

NOTE :

2.1. The reconciliation of number of shares at the beginning of the year and at the close of the year is not givenas there is no change in the paid up capital.

2.2 The Statement of Shareholders Holding More Than 5% Equity Shares of The Company:-

PARTICULARS	AS AT 31/03/2020		AS AT 31/03/2019	
	NO. OF SHARES	% OF HOLDING	NO. OF SHARES	% OF HOLDING
Shankerlal B. Shah	2147521	57.27%	2147521	57.27%
Savitaben S. Shah	292407	7.80%	292407	7.80%
Yash Metals Pvt. Ltd.	684882	18.26%	684882	18.26%
Balkishan S Shah	245909	6.56%	245909	6.56%

2.3 Right, Preferences and Restrictions attached to shares:
The company has one class of equity shares having a par value of Rs. 10/- each. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the company after distribution of all preferential amounts, in proportion to their shareholding.

NOTE - 3			
RESERVES & SURPLUS			
PROFIT & LOSS A/C.			
Opening Balance	65393623		60651944
Add:- Net Profit after tax for the year	2059732		4741679
Closing Balance		67453355	65393623
TOTAL		67453355	65393623

NOTE - 4		
LONG TERM BORROWINGS		
Secured Loans:		
Axis Bank (Ciaz Car Loan)	99296	480636
HDFC Car Loan (Toyota Fortuner)	734198	1766970
Kotak Mahindra Bank Ltd.(secured against personal building of Director)	18705476	29835031
Axis bank (Honda Jazz Car loan A/c)	466607	747566
	20005577	32830203
TOTAL	**20005577**	**32830203**

Note: The details about maturity profie has not been produced before auditors. Hence, all amount of loan is shown here and " current maturities of Long Term Debt " is not shown in current liabilities.

H. DHAWAN & CO. CHARTERED ACCOUNTANTS

BAHETI METAL & FERRO ALLOYS LTD.
NOTES FORMING PART OF ACCOUNTS

[AMT RS.]

PARTICULARS	AS AT 31/03/2020	AS AT 31/03/2019
NOTE - 5		
DEFERRED TAX LIABILITY (NET)		
Deferred Tax Assets:-		
Timing Difference :-		
Total - A	0	0
	0	0
Deferred Tax Liabilities:-		
Related to Fixed Assets	5926829	5265130
Total - B	5926829	5265130
Total A–B = Net Deferred Tax Liabilities	**5926829**	**5265130**
NOTE - 6		
SHORT TERM BORROWINGS		
Secured Loans:		
From Axis Bank Ltd. C.C. Account (Secured by Hypothecation of debtors & stock)	234632013	208815656
Axis Bank - Loader Backhoe Mac. Components part Loan	0	292660
Axis Bank (Loader Backhoe Machine Loan)	0	1013727
	234632013	210122043
Unsecured Loans:		
From Related Parties-Directors/Shareholders		
Balkrishan Shankerlal Shah	11646224	717778
Shankerlal B. Shah	36869268	37912100
Savitaben S. Shah	8736279	2527286
	57251771	41157164
From Others:		
TOTAL	**291883784**	**251279207**

NOTE : All unsecured loans are repayable on demand.
As they are repayable on demand they all are shown as Short Term Borrowings.

NOTE - 7
SHORT TERM PROVISION:

Provision for expenses:		
Audit Fees	1281404	175000
Providend Fund	202411	244175
Clearing & Forwarding Expense	0	389612
TOTAL	**1483815**	**808787**

NOTE - 8
TRADE PAYABLES

-Total outstanding dues of micro enterprises and small enterprises	0	0
-Total outstanding dues of creditors other than micro enterprises and small enterprises	17873059	39537777
[Refer Note No. 25] [For Related Party Details Refer Note No. 30]		
TOTAL	**17873059**	**39537777**

WADHAWAN & CO AHMEDABAD CHARTERED ACCOUNTANTS

BAHETI METAL & FERRO ALLOYS LTD.
NOTES FORMING PART OF ACCOUNTS

NOTE - 10
PROPERTY PLANT & EQUIPMENTS

[AMT RS.]

PARTICULAR	GROSS BLOCK					DEPRECIATION				NET BLOCK	
	OP.BAL. 01/04/2019	ADD. DURING YEAR	DEDU. DURING YEAR	SUBSIDY	CL.BAL. 31/03/2020	OP.BAL. 01/04/2019	PROV DURING YEAR	DEDU. DURING YEAR	CL.BAL. 31/03/2020	AS AT 31/03/2020	AS AT 31-03-2019
Tangible Assets											
LAND	464779		0	0	464779	0	0	0	0	464779	464779
BUILDING:											
Factory Building	26500548	6304295	0	0	32804843	13336732	974670	0	14311402	18493441	13163816
Non Factory Building:											
(I) Tube Well	214454	0	0	0	214454	80960	40746	0	121706	92748	133494
(II) Administrative	6625934	0			6625934	2375062	210042		2585104	4040830	4250872
(III) Residential	172820	0			172820	68950	5478		74428	98392	103870
PLANT & MACHINARY:											
Aluminium Breaking Machine	749098	0			749098	333604	88993		422597	326501	415494
Ball Crusher Machine	33728	0			33728	27151	4007		31158	2570	6577
Ball Mill Machine	0	650000			650000	0	7553		7553	642447	0
Balling Hydrolic Machine	2544510	0			2544510	337578	302288		639866	1904644	2206932
Band Saw Machine	208070	0			208070	39406	24719		64125	143945	168664
Calcination Furnace	726584	0			726584	726584	0		726584	0	0
Crain	527838	0			527838	189174	25072		214246	313592	338664
Electric Generator Set	459970	0			459970	459970	0		459970	0	0
Electrical Installation	3095254	0			3095254	3095254	0		3095254	0	0
E.T.P. System	1530570	1298736			2829306	5762	163753		169515	2659791	1524808
Foundry Machine	2794362	0			2794362	2781986	0		2781986	12376	12376
Fume & Dust Collective System	11828287	639000			12467287	1375642	785218		2160860	10306427	10452645
Furnace	821231	32120			853351	330333	52435		382768	470583	490898
Furnace Oil Tank	110400	0			110400	110400	0		110400	0	0
Gas Installation	3274987	105963			3380950	936948	213302		1150250	2230700	2338039
Hand Cart	262791	0			262791	150622	16635		167257	95534	112169
Hydrolic	368160	0			368160	130204	23305		153509	214651	237956
Jaw Crusher Machine	239646	0			239646	179522	15170		194692	44954	60124
Laboratory Equipment	1558597	0			1558597	683138	148067		831205	727392	875459

Loader Backhoe Machine	2451000	0			2451000	81336	155148		236484	2214516	2369664
Magnatic Seprator Machine	646500	0			646500	110261	40923		151184	495316	536239
Plant & Machinry	176000	0			176000	54701	11141		65842	110158	121299
Pulveriser Machine	1152116	66000			1218116	456733	73490		530223	687893	695383
Roller Crusher Machine	425262	0			425262	425262	0		425262	0	0
Rotary	7623585	1309157			8932742	2526754	557786		3084540	5848202	5096831
Rotary Klin Machine	1798899	0			1798899	1798899	0		1798899	0	0
Scale & Weight*	1604408	7000			1611408	702974	101633		804607	806801	901434
Screening Machine	200000	0			200000	2082	12660		14742	185258	197918
Welding Machine	31486	20000			51486	1080	2805		3885	47601	30406
Zinc Furnace	48990	0			48990	31071	3101		34172	14818	17919
OTHERS:											
Air Conditioner Machine	1176923	48594			1225517	436490	115328		551818	673699	740433
CC TV Camera	263582	30670			294252	3885	51853		55738	238514	259697
Cellular Phone	676794	0			676794	159177	128591		287768	389026	517617
Computer	1243013	19800			1262813	1148371	51301		1199672	63141	94642
Fax Machine	89789	0			89789	75321	9979		85300	4489	14468
Furniture & Fixture	914212	0			914212	703243	86850		790093	124119	210969
Honda Activa	120082	0			120082	72812	11408		84220	35862	47270
Intercom System	39375	0			39375	10929	7481		18410	20965	28446
Motor Byke	46967	0			46967	46967	0		46967	0	0
Motor Car	4865763	0			4865763	4751176	0		4751176	114587	114587
Office Equipment	347120	176797			523917	245785	77555		323340	200577	101335
Refrigerator	100770	0			100770	39062	19146		58208	42562	61708
Scooter	115443	0			115443	115443	0		115443	0	0
Tata Ace	311529	0			311529	311529	0		311529	0	0
Transport & Vehicle	967799	0			967799	967798	0		967798	0	0
TVS Scooty	33140	0			33140	33140	0		33140	0	0
Scooty Pep +	48548	0			48548	28477	4612		33089	15459	20071
UPS System	44190	0			44190	12036	8396		20432	23758	32154
Zerox Machine	129150	0			129150	54558	24539		79097	50053	74592
Moter Car Alto	421014	0			421014	145669	50016		195685	225329	275345
Water Cooler For Plant	92325	49700			142025	13375	26882		40257	101768	78950
Water Purifier	12990	0			12990	1291	2468		3759	9231	11699
Electric Motor	344100	138135			482235	16777	30167		46944	435291	327323
Flipper Plus (Sweeping Machine)	40000	0			40000	3061	7600		10661	29339	36939
Lathe Machine	96000	0			96000	6359	6077		12436	83564	89641
Motor Car	3668475	0			3668475	507958	435815		943773	2724702	3160517
Spectro Meter	1725422	0			1725422	131806	204980		336786	1388636	1593616
Triple Drum Magnetic Separator	756700	300000			1056700	55548	204980		260528	796172	701152
Water Storage Tank	68219	0			68219	3837	2163		6000	62219	64382
Motor Car Ciaz	1293185	0			1293185	220462	153630		374092	919093	1072723
Motor Car Jazz	1013725	0			1013725	58310	120431		178741	834984	955415
TOTAL	**102337208**	**11195967**	**0**	**0**	**113533175**	**44326787**	**5902388**	**0**	**50229175**	**63303999**	**58010420**
PREVIOUS YEAR	**86312820**	**16585427**	**561039**	**0**	**102337208**	**40788678**	**3945956**	**407847**	**44326787**	**58010420**	

WADHAWAN & CO. CHARTERED ACCOUNTANTS AHMEDABAD

BAHETI METAL & FERRO ALLOYS LTD.
NOTES FORMING PART OF ACCOUNTS

[AMT RS.]

PARTICULARS	AS AT 31/03/2020	AS AT 31/03/2019
NOTE - 9		
OTHER CURRENT LIABILITIES		
Axis Bank (TATA Discounting)	0	11748126
GTA Payable	63476	261451
TDS on Interest	445358	357134
Education cess on TDS	1420	7940
TDS on Payment to Contractor	47775	74754
TDS on Professional Charges	10250	67200
TDS on Salary	128500	198500
TDS on Commission	33603	18830
Sunil Metal Corporation	8000000	0
TOTAL	**8730382**	**12733935**
NOTE - 11		
INVENTORIES		
[As taken Valued & Certified By Management]		
Raw Material (at cost)	118930235	152919998
Stores & Spares	11371649	4386475
Finished Goods	18952018	35303445
Others	163797	361989
TOTAL	**149417699**	**192971907**
NOTE - 12		
TRADE RECEIVABLES		
-Considered Doubtful - Unsecured	102984	0
-Considered Good - Unsecured	214291320	159836464
TOTAL	**214394304**	**159836464**
NOTE - 13		
CASH & CASH EQUIVALENTS		
Cash on hand	60434	255475
	60434	255475
Balance with a Bank:		
State Bank Of India (Current A/c.)	445944	95571
Margin money kept for Bank Gurantee (By way of FD)	1499163	1514295
	1945107	1609866
TOTAL	**2005541**	**1865341**

WADHAWAN & CO. AHMEDABAD CHARTERED ACCOUNTANTS

BAHETI METAL & FERRO ALLOYS LTD.
NOTES FORMING PART OF ACCOUNTS

[AMT RS.]

PARTICULARS			AS AT 31/03/2020	AS AT 31/03/2019
NOTE - 14				
OTHER CURRENT ASSETS				
Advance to Employees			506960	631000
Advance to Supplier			1164345	408027
Advance to Others			261228	242035
Custom Duty Receivable (Kandla)			60000	60000
Axis Bank (TATA Discounting)			222	0
GST Receivable			17230408	29349320
Service Tax Receivable A/c-17-18			70480	70480
Edu. Cess on S.Tax Receivable A/c 17-18			1603	1603
Accurued Vat Refund Receivable			0	300000
Prepaid Fees & Subscription			1533	0
Prepaid Insurance			174995	180525
Prepaid Reparing Expense (Other)			5044	12708
Prepaid Laboratory Expenses			47930	43649
Prepaid GPCB Charges			0	198000
Remuneration paid in Advance			24960	0
Argon Cylinder -Deposit			5000	5000
G.E.B.- Deposit			369900	369900
Panchwati Gas Service : Deposit			6100	6100
Praxair India Pvt. Ltd.			40000	40000
Sales Tax Deposits			5000	5000
Uttar Gujarat Vij Co. Ltd.- Deposit			70030	0
Sabarmati bank Gaurantee			219600	0
Income Tax & TDS (Net of Provision) :				
Advance Income Tax (F.Y. 20017-18)	1500000			1500000
Advance Income Tax (F.Y. 2018-19)	1400000			1400000
Advance Income Tax (F.Y. 2019-20)	1000000			0
T.C.S. Receivable (F.Y. 2017-18)	45367			45367
T.C.S. Receivable (F.Y. 2018-19)	35658			35658
T.C.S. Receivable (F.Y. 2019-20)	14654			0
T.D.S. Receivable (F.Y. 2017-18)	82838			82838
T.D.S. Receivable (F.Y. 2018-19)	42320			42320
		4120837		3106183
Less: Provision For Income Tax- 2017-18	1465000			1465000
Less : Provision For Income Tax-2018-19	900000			900000
Less : Provision For Income Tax-2019-20	285917			0
		2650917		2365000
			1469920	741183
TOTAL			**21735258**	**32664530**

BAHETI METAL & FERRO ALLOYS LTD.
NOTES FORMING PART OF ACCOUNTS

[AMT RS.]

PARTICULARS	YEAR ENDED 31/03/2020	YEAR ENDED 31/03/2019
NOTE - 15		
REVENUE FROM OPERATIONS		
Sales (Net of Discount)	1057575424	1476602938
TOTAL	**1057575424**	**1476602938**
NOTE - 16		
OTHER INCOME		
Conversion Income	0	233640
Interest Income	20867	386018
Vatav & Kasar	148440	34014
Insurance Claim Received	0	7270
Income Tax Refund	0	285229
Currency Rate Difference	1839745	136111
Profit on Sale of Fixed Assets	0	1584
TOTAL	**2009052**	**1083866**
NOTE - 17		
RAW MATERIAL CONSUMPTION		
Opening stock of raw material	157354463	90572936
Add: Purchases of Raw Material during the year	847695141	1368936537
Fright and Octroi on Purchase	3200612	4574771
Less: Closing stock of raw material	118930235	157354463
TOTAL	**889319981**	**1306729781**
NOTE - 18		
CHANGE IN INVENTORIES		
STOCK IN TRADE		
Finished Goods	18952018	35303455
Others	11535446	313989
	30487464	35617444
Less:- Opening Stock of Finished Goods	35303455	9160358
Less:- Opening Stock of others	313989	170206
	35617444	9330564
Increase / (Decrease) in Stock	**5129980**	**(26286880)**

BAHETI METAL & FERRO ALLOYS LTD.
NOTES FORMING PART OF ACCOUNTS

[AMT RS.]

PARTICULARS	YEAR ENDED 31/03/2020	YEAR ENDED 31/03/2019
NOTE - 19		
OPERATING EXPENSES		
CFS & Other Charges	2247140	2883169
Custom Duty on Import	15843911	24258006
Social Welfare surcharges	1584411	2425404
Clearing & Forwarding Expense	1813675	2477773
Foundry Expenses	507638	208879
Jobwork Charges	0	465100
Laboratory Expenses	181945	247358
Labour Charges	713270	687550
Packing Expenses	0	660
Power & Fuel Expenses	4641930	3621105
Machine Repairing & Maintanance Expenses	12007	36032
Security Charges	1273258	917508
Shipping Line Expense	15555624	19052088
TOTAL	**44374809**	**57280632**
NOTE - 20		
EMPLOYEE BENEFITS EXPENSE		
Salary	49600500	52116128
Bonus	1481579	2373494
Gratuity	184615	2068798
Remuneration to Directore & M.D.	4200000	4200000
Leave Encasement	858631	833575
Labour Welfare Expenses	55166	16604
Contribution to Provident Fund	1395459	1587572
TOTAL	**57775950**	**63196171**
NOTE - 21		
FINANCE COSTS		
Interest Expenses (Others)	4453575	3571335
Interest to Bank	22520072	23544967
Interest to SBI	254630	1359023
Bank Charges & Commission	1557354	218508
Processing Fees	0	634275
TOTAL	**28785631**	**29328108**

BAHETI METAL & FERRO ALLOYS LTD.
NOTES FORMING PART OF ACCOUNTS [AMT RS.]

PARTICULARS	YEAR ENDED 31/03/2020	YEAR ENDED 31/03/2019
NOTE - 22		
OTHER EXPENSES		
ADMINISTRATIVE & OTHER EXPENSES:-		
Audit Fees	276500	175000
Books & Periodicals Expenses	2340	3106
Building Repairing & Maintanance Expenses	8323	97333
CFS Expense on Export	197360	0
Computer Maintanance Expenses	39807	107561
Conveyance Expenses	68609	8185
Crain Charges	356857	457386
Compensation Cess	16580	0
Currency Rate Difference	63648	0
Clearing & Forwarding Expense on Export	177850	0
Donation	43000	20000
Electric Expenses	317577	185978
EDI & Bond Charges	19970	32415
Export Seal Expense	8450	0
Export Forklift Charges	77000	0
Fees & Subscription Expenses	229632	199280
Filling Expenses	5750	700
Garden Expenses	146417	2596
GPCB Charges	198000	177268
Gst Expense	73070	0
Inland & Foreign Travelling Expenses		
Directors	254812	625724
Employees	173878	223441
Others	0	32781
Insurance Expenses	529322	697517
Internet Expense	125408	182000
Late Payment Charges to Sabarmati gas	514723	0
LSS Charges on Export	8168	0
Miscellaneous Expenses	7383	0
Motor Car Expenses	241999	272604
Office Expenses	29242	60486
Petrol & Diesel Expense	1499549	1483108
Postage & Courier Expenses	87260	12743
Printing & Stationary Expenses	74313	135707
Professional Charges	2398953	2266393
Rent, Rates & taxes	32829	206073
Repairing Expenses	438236	451155
Sales Tax/ Vat Tax Expenses	169580	24124
Scooter/Motor byke Expenses	1948	8145
Stamp Charges	3550	702700
Telephone Expenses	126123	191950
Tractor Expenses	0	1612
Transport Vehicle Expenses	0	32422
Water Expenses	156210	154860
Quality Deviation Exp.	0	52304
Advertisement Expenses	8000	53800
Commission on Sales	2658752	3541379
Discount on Sales	155268	501509
Freight Outward & Octroi Expenses	12484716	23469447
Sales & Promotion Expense	101300	26547
Shipping Expense on Export	406446	0
Shortage Expenses	258681	293218
Vatav & Kasar & Rate Diff. Expenses	0	9689
TOTAL	**25273389**	**37180246**

MADHAWAN & CO. AHMEDABAD CHARTERED ACCOUNTANTS

ADVANCE TAX (NET OF PROVISION)

ADVANCE INCOME TAX (F.Y. 20017-18)	1500000
ADVANCE INCOME TAX (F.Y. 2018-19)	1400000
ADVANCE INCOME TAX (F.Y. 2019-20)	1000000
T.C.S. RECEIVABLE (F.Y. 2017-18)	45367
T.C.S. RECEIVABLE (F.Y. 2018-19)	35858
T.C.S. RECEIVABLE (F.Y. 2019-20)	14654
T.D.S. RECEIVABLE (F.Y. 2017-18)	82838
T.D.S. RECEIVABLE (F.Y. 2018-19)	42320
T.D.S. RECEIVABLE (F.Y. 2019-20)	0
LESS: PROVISION FOR INCOME TAX- 2017-18	1465000
LESS : PROVISION FOR INCOME TAX-2018-19	900000
LESS : PROVISION FOR INCOME TAX-2019-20	285917
	1469920

SUNDRY CREDITORS

AASTHA CORPORATION	6856
AIRFANS BLOWERS & SYSTEMS	454020
AQUACHEM ENTERPRISE	58599
CARLMANN SCHMIDT [I] PVT.LTD.	251235
ENERGY SYSTECH	3696
GOVIND METAL CO.	16521
HASTI PETRO CHEMICAL & SHIPPING LTD.	8470
MANIBHADRA TRADERS	118148
MATERIAL RECYCLING ASSOCIATION OF INDIA	22090
NIHON ISPAT PRIVATE LIMITED	480139
NILESH FOUNDERS & ENGINEERS PVT. LTD.	187363
POWER DRIVERS & CONTROLS	354000
QCC MANAGEMENT SOLUTION	48600
RAJYOGI CARE SOLUTIONS PVT. LTD.	459645
SABARMATI GAS LTD.	7104575
SHREE RAMA KRISHNA FREIGHT CARRIERS	18810
SHUKLA & ASSOCIATES	3750
SURAJ FORWARDERS PVT. LTD.	814530
UNIQUE SPEDITORER PVT. LTD.	681
UNIQUE SPEDITORER PVT. LTD. AHM.	860961
RY MIDAS METACAST PVT. LTD.	1959791
SHREE NARAYAN METALS	438204
SHREE RADHEY METAL	576140
YASH METALS P LTD	3646255
	17873059

SUNDRY DEBTORS

D.C.GROUP	5182822
MAXOP ENGINEERING CO. GROUP	2911328
MINDA GROUP	34420918.1
YASH METAL	112039
ACME FERRO ALLOYS PVT. LTD.	8260
ALPHA METAL INDUSTRIES	16334946
ARCELORMITTAL NIPPON STEEL INDIA LIMITED	2240591B
BHARAT BEAMS PVT. LTD.	5300647
D S ALLOYD PVT. LTD.	4207
ESSAR STEEL INDIA LIMITED	81943
GN ALTECH (UNIT 1)	3307124
JAYKRISHNA MAGNETIC PVT. LTD.	132750
NINGBO YUETUO METAL CO., LTD.	5274889
POGGENAMP NAGARSHETH POWERTRONICS PVT. LTD.	1795
RIDDHI TECHAUTO INDUSTRIES PVT. LTD.	8526049
RNG EXPORTS PRIVATE LIMITED	1376529
SAMARTH INDUSTRIES	1587548
SHIVAM INDUSTRIES	166380
SHREE SHYAM INDUSTRIES	37937
SLS AGRO FOODS	56787
TATA STEEL LIMITED	3241460
TELETALK SERVICES	84994458
VICTORY PRECISIONS PVT LTD	14671048.6
VIDHI INDUSTRIES	3924213
VINAYAK DIECAST	295807
VISHNU FOUNDERS	1870435
AVIRAT METAL PRIVATE LIMITED	164286
	214291320

ADVANCE TO SUPPLIER:

AMETEK INSTRUMENTS INDIA PVT. LTD	1276
KHANJON CORPORATION	12025
WEB PLUS INFOTECH PVT. LTD.	1224
ANSHIKA METAL INDUSTRIES	100000
FOX RECYCLING LTD	284920
JACOB METALS LIMITED	74340
METAL CORNER TRADE & INDUSTRY CO. LTD.	37170
OVERDIE METAL BV	106125
RATNAAKAR ASSOCIATES	200000
THE REMET COMPANY LTD	300027
BPCL E- CMS	21710
CHEM TECK ENGINEERS	3528
RONAK TRANSPORT CORPORATION	2000
TUV INDIA PRIVATE LIMITED	20000
	1164345

ADVANCE TO EMPLOYEES:

MANISH D.BHATT: LOAN	340000
YASH SHAH SALARY A/C.	11960
BARIA ASVINBHAI	10000
BARIYA SURESHKUMAR	10000
KANJI	10000
KHANT KENTANKUMAR	10000
MAFATBHAI BHAIJIBHAI PATELIYA	10000
PAGI BALVANTBHAI	10000
PAGI MUKESHBHAI	10000
PANDOR DILIPBHAI	10000
PATELIYA DAYABHAI MOTIBHAI-LOAN A/C	20000
PATELIYA KALUBHAI (LOAN A/C)	45000
PATELIYA LALBHAI BHAGVANBHAI	10000
	506960

BAHETI METAL & FERRO ALLOYS LIMITED
NOTES FORMING PART OF ACCOUNTS

23. Corresponding figures of the previous year have been regrouped to confirm with this year's classification wherever necessary.

24. Details of Auditors' Remuneration are as follows: [AMT. RS.]

PARTICULARS	2019-2020	2018-2019
Audit fees	175000	175000
Total	**175000**	**175000**

25. Micro and Small Enterprises: [AMT. RS.]

SR. NO.	PARTICULARS	2019-2020	2018-2019
A	The principal amount and the interest due thereon remaining unpaid to any supplier at the end of each accounting year:		
	Principal amount due to micro and small enterprises (Not overdue)	NIL	NIL
	Interest due on above	NIL	NIL
B	The amount of interest paid by the buyer in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year.	NIL	NIL
C	The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro, Small and Medium Enterprises Development Act, 2006.	NIL	NIL
D	The amount of interest accrued and remaining unpaid at the end of each accounting year.	NIL	NIL
E	The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under Section 23 of Micro, Small and Medium Enterprises Development Act, 2006.	NIL	NIL

Dues to Micro and Small Enterprise have been determined to the extent such parties have been identified on the basis of information collected by the Management.

26. Earnings per share:-

A. Calculation of Weighted Average Number of Equity Shares of Rs.10/- each	**2019-2020**	**2018-2019**
Number of shares at the beginning of the year	3750000	3750000
Total number of shares at the end of the year	3750000	3750000
Weighted average number of shares outstanding during the year	3750000	3750000
B. Net Profit/ loss after tax available for equity share holders [Amt. Rs.]	2059732	4741679
Basic & Diluted Earnings per share		
Before extra ordinary items	0.55	1.26
After extra ordinary items	0.55	1.26

WADIA GHIA & CO. AHMEDABAD CHARTERED ACCOUNTANTS

BAHETI METAL & FERRO ALLOYS LIMITED
NOTES FORMING PART OF ACCOUNTS

27. The information required as per Para 5 (viii) (a) & (c) of part II of schedule III of the Companies Act, 2013 regarding information about the value of imports calculated on CIF basis, total value of imported raw materials, spare parts & components consumed and total value of indigenous raw-materials, spare parts & components consumed and percentage of each of the total consumptions are as follows.

PARTICULARS	[AMT.RS.]		[AMT.RS.]	
	%	2019-2020	%	2018-2019
I) VALUE OF IMPORTED & INDIGENOUS SPARE PARTS & COMPONENTS IMPORTED				
Imported	-	0	-	0
Indigenous	-	0	-	0
TOTAL	-	**0**	-	**0**
II) VALUE OF IMPORTED & INDIGENOUS RAW MATERIAL IMPORTED				
Imported	-	540937934	-	837661889
Indigenous	-	306757207	-	557958058
TOTAL	-	**847695141**	-	**1395619947**

28. The information required as per Para 5 (viii) (b), (d) & (e) of part II of schedule III of the Companies Act, 2013 regarding expenditure in foreign currency is Rs. 540937934/-, the dividend remitted in foreign currency is Nill and earning in foreign exchange is Rs. 74902119/-.

29. The information required as per Para 5 (vii) (c) of part II of schedule III of the Companies Act, 2013 regarding information about the total value of imported raw materials ,spare parts & components consumed and percentage of each to the total consumption are as follows:

PARTICULARS	[AMT.RS.]		[AMT.RS.]	
	%	2019-2020	%	2018-2019
I) VALUE OF IMPORTED & INDIGENOUS SPARE PARTS & COMPONENTS CONSUMED				
Imported	-	0	-	0
Indigenous	-	0	-	0
TOTAL	-	**0**	-	**0**
II) VALUE OF IMPORTED & INDIGENOUS RAW MATERIAL CONSUMED				
Imported	-	N.A	-	N.A
Indigenous	-	N.A	-	N.A
TOTAL	-	N.A	-	N.A

BAHETI METAL & FERRO ALLOYS LIMITED
NOTES FORMING PART OF ACCOUNTS

30. As required by Accounting Standard 18 issued by Institute of Chartered Accountants of India relating to Related Parties Disclosure, information is as under::-

1. **HOLDING COMPANY:**

NIL

2. **SUBSIDAIRY COMPANY:**

NIL

3. **ASSOCIATES (DUE TO COMMON KEY MANAGEMENT PERSONNEL**

YASH METALS PVT LTD.

4. **KEY MANAGERIAL PERSONNEL:**

MRS SAVITABEN SHANKERLAL SHAH
MR SHANKERLAL BANSILAL SHAH
MR BALKISHAN SHANKERLAL SHAH
MR GOPALLAL LAXMINARAYAN BANGUR
MR KUSHAL MAHESHWARI

5. **RELATIVES OF KEY MANAGERIAL PERSONNEL:**

MRS RASHMI B SHAH
MR YASH S. SHAH

(Related Party relationship is as identified by the Company and relied upon by the auditors.)

Nature of transactions with related parties and aggregate amount of such transactions for each class of related party during the F.Y.2019-2020.

PARTICULARS	AMT. RS.			
	2019-2020		2018-2019	
	OTHER RELATED PARTIES	KEY MANAGERIAL PERSON	OTHER RELATED PARTIES	KEY MANAGERIAL PERSON
UNSECURED LOAN TAKEN BY THE COMPANY:-				
Balkishan Shankerlal Shah	0	11359385	0	700000
Savitaben Shankerlal Shah	0	6854437	0	19100000
Shankerlal Bansilal Shah	0	35689753	0	62350000
Mr Yash S. Shah	0	0	1400000	0
UNSECURED LOAN REPAID BY THE COMPANY:-				
Balkishan Shankerlal Shah	0	430939	0	1975
Savitaben Shankerlal Shah	0	645444	0	18908261
Shankerlal Bansilal Shah	0	36732585	0	50656898
Mr Yash S. Shah	0	0	1400000	0
INTEREST ON UNSECURED LOAN:-				
Balkishan Shankerlal Shah		809385		19953
Savitaben Shankerlal Shah		354437		432607
Shankerlal Bansilal Shah		3289753		3118975
REMUNERATION:-				
Balkishan Shankerlal Shah		1200000		1200000
Shankerlal Bansilal Shah		3000000		3000000

BAHETI METAL & FERRO ALLOYS LIMITED
NOTES FORMING PART OF ACCOUNTS

Nature of transactions with related parties and the outstanding balance as on 31.03.2020

PARTICULARS	AMT. RS.			
	2019-2020		2018-2019	
	OTHER RELATED PARTIES	KEY MANAGERIAL PERSON	OTHER RELATED PARTIES	KEY MANAGERIAL PERSOn
UNSECURED LOAN:-				
Balkishan Shankerlal Shah		11646224		717778
Savitaben Shankerlal Shah		8736279		2527286
Shankerlal Bansilal Shah		36869268		37912100

31. There were no investments made, no loans given and no guarantee given by the company u/s 186 of the Companies Act, 2013 during the year under review

32. World Health Organisation (WHO) declared outbreak of Corona virus Disease (COVID-19) a global pandemic on March 11, 2020. Consequent to this, Government of India declared lockdown on March 23, 2020 and the Company suspended the operations in all ongoing projects in compliance with the lockdown instructions issued by the Central and State Governments. COVID-19 has impacted the normal business operations of the Company by way of interruption in Project execution, supply chain disruption, unavailability of personnel etc. during the lock-down period.

The Company has made detailed assessment of its liquidity position for the next year and the recoverability and carrying value of its assets & revenue. Based on current indicators of future economic conditions, the Company expects to recover the carrying amount of these assets. The situation is changing rapidly giving rise to inherent uncertainty around the extent and timing of the potential future impact of the COVID-19 pandemic which may be different from that estimated as at the date of approval of these financial statements.

The Central and State Governments have initiated steps to lift the lockdown and the Company will adhere to the same as it resumes its activities. Work has already restarted. Since it is only about ten weeks into the pandemic, the Company will continue to closely observe the evolving scenario and take into account any future developments arising out of the same.

33. Going Concern Basis:
Since 11th March 2020, as a consequences of COVID-19 out spread the operation of the company have been partially and adversely affected.

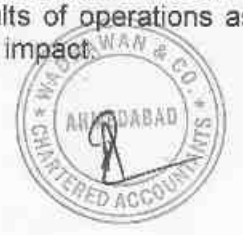
Work force reduction due to migration and quarantine has resulted into shortages of labour. Combined with disruption in the Company's supply chain and reduction in demand has affected liquidity and profitability of the company.

However, the management has disclosed that the operations were disrupted for a maximum period of 10 weeks and the company has inherent strength to recover losses caused by such disruption.

Hence, the going concern basis of the Company is not affected by the COVID-19.

34. Events occurring after balance sheet:
From March 19, 2020 the spread of COVID-19 has severely impacted many companies. The operations of our company have also been / are likely to be affected.

However, the company has determined that these events are non adjusting subsequent events. Accordingly the financial position and results of operations as of and for the year ended 31st March 2020 have been not adjusted to reflect their impact.



BAHETI METAL & FERRO ALLOYS LIMITED
NOTES FORMING PART OF ACCOUNTS

35. Closing stock of inventories:
Since March 2020 the spread of COID-19 has severely impacted demand for the products of the company. Your company has carefully evaluated the closing balance of inventory as per AS-2. Your company is of the opinion that the cost price is still lower than the market price and hence the inventory has been valued at cost.

36. Trade Receivable:
Since March 2020 the spread of COID-19 has severely impacted the liquidity position and profitability of the company. A few of the debtors have not been able to pay their dues as per the schedule. However the company has detailed discussion with the customers and is of the opinion that while payments may get delayed there are no chances of bad debts.

37. Estimation of uncertainties relating to the global health pandemic from COVID-19 (COVID-19):
The Company has considered the possible effects that may result from the pandemic relating to COVID-19 on the carrying amounts of assets & revenue. In developing the assumptions relating to the possible future uncertainties in the global economic conditions because of this pandemic, the Company, as at the date of approval of these financial statements has used internal and external sources of information on the expected future performance of the Company. The Company has performed sensitivity analysis on the assumptions used and based on current estimates expects the carrying amount of these assets will be recovered. The impact of COVID-19 on the company financial statements may differ from that estimated as at the date of approval of these financial statements.

38. Deferred Tax:
Deferred Tax Assets are recognised for unused tax losses with an assumption that tax profit shall be available against which the said losses can be utilised. Significant management judgment is require to determine the amount of deferred tax assets that can be recognised. Since this involves estimating future taxable profit it is at best an estimate.

39. Cash Flow:
Based on the Company's liquidity position at March 31, 2020 and review of cash flow projections (after applying sensitivity analysis) over the next twelve months, the management believes the Company will have sufficient liquidity to operation its businesses in the ordinary course.

40. Impact of COVID-19:
Management believes that it has taken into account all the known impacts arising from COVID-19 pandemic in the preparation of the financial results. However, the impact assessment of COVID-19 is a continuing process given the uncertainties associated with its nature and duration. Management will continue to monitor any material changes to future economic conditions and the impact thereof on the Company, if any. The eventual outcome of the impact of the COVID-19 pandemic on the Company's business may be different from that estimated as on the date of approval of these financial results.

BAHETI METAL & FERRO ALLOYS LIMITED
NOTES FORMING PART OF ACCOUNTS

41. The company has filed a case against Gujarat State Road Transport Corporation in Gujarat High Court. The decision of honourable Gujarat High court has come in the favour of the company. However, the decision is not effected by Gujarat State Road Transport Corporation Ltd.

AS PER OUR REPORT OF EVEN DATE
FOR WADHAWAN & CO.
CHARTERED ACCOUNTANTS
FRN:- 129455W

AJIT A. WADHAWAN
PARTNER
MEM. NO.032886
UDIN:- 20032886AAAACV6436

PLACE : AHMEDABAD
DATE : 27/10/2020

ON BEHALF OF THE BOARD OF DIRECTORS

SHANKERLAL B.SHAH
CHAIRMAN
[DIN: 00131715]

SAVITABEN S.SHAH
DIRECTOR
[DIN: 00131134]

PLACE : AHMEDABAD
DATE : 27/10/2020

WADHAWAN & CO. AHMEDABAD CHARTERED ACCOUNTANTS

Director's Report

To,
The Members of
Baheti Metal and Ferro Alloys Limited
A/2/3 L R Appartment Opp. Police Commissioner Office,
Shahibaug, Ahmedabad – 380004, Gujarat, India

Your Directors have pleasure in presenting the Annual Report of your Company together with the Audited Statement of Accounts and the Auditors' Report of your company for the financial year ended, 31st March, 2020.

FINANCIAL SUMMARY AND HIGHLIGHTS:

Particulars		Current year	Previous Year
Revenue from Operations		1,05,75,75,424	1,47,66,02,938
Other Income		20,09,052	10,83,866
Profit/loss before Depreciation, Finance Costs, Exceptional items and Tax Expense		**1,05,95,84,476**	**1,47,76,86,804**
Less: Depreciation/ Amortization/ Impairment		59,02,388	39,45,956
Profit /loss before Finance Costs, Exceptional items and Tax Expense		**1,05,36,82,088**	**1,47,37,40,848**
Less: Finance Costs		2,87,85,631	2,93,28,108
Less: Other Operating & Non-Operating Expenses		1,02,18,74,109	1,43,80,99,950
Profit /loss before Exceptional items and Tax Expense		**30,22,348**	**63,12,790**
Add/(less): Exceptional items		0	0
Profit /loss before Tax Expense		**30,22,348**	**63,12,790**
Less: Tax Expense	Current Tax	(2,85,917)	(9,00,000)
	Deferred Tax	(6,61,699)	(6,71,110)
	Short/excess provision written off	(15,000)	0
Profit /loss for the year (1)		**20,59,732**	**47,41,679**
Total Comprehensive Income/loss (2)		**0**	**0**
Total (1+2)		**20,59,732**	**47,41,679**
Balance of profit /loss for earlier years		**47,41,679**	**28,91,384**
Transfer to Debenture Redemption Reserve		0	0
Transfer to Reserves		0	0
Dividend paid on Equity Shares		0	0
Dividend paid on Preference Shares		0	0
Dividend Distribution Tax		0	0

TRANSFER TO RESERVES IN TERMS OF SECTION 134 (3) (J) OF THE COMPANIES ACT, 2013

For the financial year ended 31st March, 2020, the Company had not transferred any sum to Reserve Account. Therefore, your Company remained the balance of profit to Profit and Loss Accounts of the Company to Surplus Account.

FINAL DIVIDEND

The Board of Directors of your company, after considering holistically the relevant circumstances, has decided that it would be prudent, not to recommend any Dividend for the year under review.

COMMENCEMENT OF ANY NEW BUSINESS

During the financial year under review no new business commenced by the company.

MATERIAL CHANGES AND COMMITMENTS

There have been no material changes and commitments, which affect the financial position of the company which have occurred between the end of the financial year to which the financial statements relate and the date of this Report.

DETAILS OF REVISION OF FINANCIAL STATEMENT OR ANNUAL REPORT

No revision of the financial statement or Annual report has been revised during Financial Year 2019-20 for any of the three Preceding financial years.

SHARE CAPITAL STRUCTURE OF THE COMPANY:

a) Authorized Capital:

Rs. 4,00,00,000/- (Rupees Four Crore Only) divided into 40,00,000 Equity Shares of Rs. 10 /- each.

b) Issued Capital:

Rs. 3,75,00,000/- (Rupees Three Crore Seventy Five Lac Only) divided into 3750000 Equity Shares of Rs. 10 /- each.

c) Subscribed and Paid-up Capital:

Rs. 3,75,00,000/- (Rupees Three Crore Seventy Five Lac Only (in words)) divided into 37,50,000 Equity Shares of Rs. 10 /- each.

TRANSFER OF AMOUNTS TO INVESTOR EDUCATION AND PROTECTION FUND

Your Company did not have any funds lying unpaid or unclaimed for a period of seven years. Therefore, there were no funds which were required to be transferred to Investor Education and Protection Fund (IEPF).

BOARD OF DIRECTORS

The board of directors of the company duly constituted. Following Changes have been made during the year.

1. Appointment of Mr. Gopallal Laxminarayan Bangur as an Independent Director
2. Appointment of Mr. Kushal Maheshwari as an Independent Director

APPOINTMENT OF INDEPENDENT DIRECTORS IN THE BOARD AND DECLARATION UNDER SECTION 149(6)

The Board of Directors of the Company hereby confirms that all the Independent directors duly appointed by the Company have given the declaration and they meet the criteria of independence as provided under section 149(6) of the Companies Act, 2013.

COMPOSITION OF AUDIT COMMITTEE

The Audit Committee consists of the following members

Name of the Director	Position held in the Committee	Category of the Director
Mr. Shankerlal Bansilal Shah	Chairman	Executive Non Independent Director
Mr. Gopallal Laxminarayan Bangur	Member	Non Executive Independent Director
Mr. Kushal Maheshwar	Member	Non Executive Independent Director

The above composition of the Audit Committee consists of independent Directors viz., Mr. Gopallal Laxminarayan Bangur and Mr. Kushal Maheshwar who form the majority.

The Company has established a vigil mechanism and overseas through the committee, the genuine concerns expressed by the employees and other Directors. The Company has also provided adequate safeguards against victimization of employees and Directors who express their concerns. The Company has also provided direct access to the chairman of the Audit Committee on reporting issues concerning the interests of co employees and the Company.

CONSTITUTION OF NOMINATION AND REMUNERATION COMMITTEE

The Company's Nomination and Remuneration Committee comprises of three Non-executive Directors. The table sets out the composition of the Committee:

Name of the Director	Position held in the Committee	Category of the Director
Mrs. Savitaben Shankerlal Shah	Chairperson	Non Executive Non Independent Director
Mr. Gopallal Laxminarayan Bangur	Member	Non Executive Independent Director
Mr. Kushal Maheshwar	Member	Non Executive Independent Director

Terms of Reference

The Terms of Reference of the Nomination and Remuneration Committee are as under:

1. To identify persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment and removal and shall carry out evaluation of every Director's performance.

2. To formulate the criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board a policy, relating to the remuneration for the Directors, Key Managerial Personnel and other employees.

3. The Nomination and Remuneration Committee shall, while formulating the policy ensure that:

   a. the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors of the quality required to run the Company successfully;

   b. relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and

   c. remuneration to Directors, Key Managerial Personnel and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals:

4. Regularly review the Human Resource function of the Company

5. Discharge such other function(s) or exercise such power(s) as may be delegated to the Committee by the Board from time to time.

6. Make reports to the Board as appropriate.

7. Review and reassess the adequacy of this charter periodically and recommend any proposed changes to the Board for approval from time to time.

8. Any other work and policy, related and incidental to the objectives of the committee as per provisions of the Act and rules made there under.

MEETINGS OF THE BOARD OF DIRECTORS

The following Meetings of the Board of Directors were held during the Financial Year 2019-20:

SN	Date of Meeting	Board Strength	No. of Directors Present
1	25/04/2019	3	3
2	14/06/2019	3	3
3	21/06/2019	3	3
4	11/07/2019	3	3
5	22/07/2019	3	3
6	02/09/2019	5	5
7	25/12/2019	3	3
8	04/03/2020	3	3

PRESENCE/ATTENDANCE OF DIRECTORS IN THE MEETINGS

SN	Name of Director	Board Meeting			AGM
		No. of Meeting held	No. of Meeting attended	%	
1	Mr. Balkishan Shankerlal Shah	8	8	100.00	Yes
2	Mrs. Savitaben Shankerlal Shah	8	8	100.00	Yes
3	Mr. Shankerlal Bansilal Shah	8	8	100.00	Yes
4	Mr. Gopallal Laxminarayan Bangur	8	1	12.50	No
5	Mr. Kushal Omprakash Maheshwari	8	1	12.50	No

BOARD EVALUATION

The provision of section 134(3)(p) relating to board evaluation is not applicable on the company.

PARTICULARS OF EMPLOYEES

Provision related to the particulars of the employees employed by the company falling within Section 197 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is not applicable to the Company.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134(5) of the Companies Act, 2013 the Board of Directors of the Company confirms that-

(a) In the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;

(b) The directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;

(c) The directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;

(d) The directors had prepared the annual accounts on a going concern basis; and

(e) Company being an unlisted company, the said para is not applicable.

(f) The directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

INTERNAL FINANCIAL CONTROLS

As per amended exemption notification for the private company under Section 462 of the Companies Act 2013, there is no as such obligation on the Company to setup an Internal Financial Control system in the company.

REPORTING OF FRAUDS BY AUDITORS

For the Financial year 2019-20, the Statutory Auditor has not reported any instances of frauds committed in the Company by its Officers or Employees.

INFORMATION ABOUT SUBSIDIARY/JOINT VENTURES/ASSOCIATE COMPANY

Company does not have any Subsidiary, Joint venture or Associate Company.

DEPOSITS

The company has not accepted deposits from public within the meaning of Section 73 of the Companies Act, 2013 also no unsecured loan accepted from its directors and relative of directors under sub rule 1 clause (C) sub clause (Viii) of rule 2 of Companies (Acceptance of Deposits) Rules 2014.

LOANS, GUARANTEES AND INVESTMENTS

The Company has not made / given / advanced any Loan, Guarantee and Investment during the financial year covered under Section 186 of the Companies Act, 2013.

RELATED PARTY TRANSACTIONS

All related party transactions that were entered into during the financial year were on an arm's length basis and were in the ordinary course of business. There are no materially significant related party transactions made by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons which may have a potential conflict with the interest of the Company. Particulars of Transactions with Related party with noted on accounts forming part of the Financial Statements.

Further all the necessary details of transaction entered with the related parties as defined under Section 188 of the Companies Act, as defined under Section 2 (76) of the said Act are attached herewith in form no. AOC-2 for your kind perusal and information. **(Annexure 2)**

CORPORATE SOCIAL RESPONSIBILITY (CSR)

The Company does not meet the criteria of Section 135 of Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014 so there is no requirement to constitution of Corporate Social Responsibility Committee.

ENERGY CONSERVATION, TECHNOLOGY ABSORPTION & FOREIGN EXCHANGE EARNINGS AND OUTGO

Information on conservation of Energy, Technology absorption, Foreign Exchange earnings and outgo required to be disclosed under Section 134 of the Companies Act, 2013 read with Companies (Accounts) Rules, 2014 are provided hereunder:

PARTICULARS	REMARKS
A) CONSERVATION OF ENERGY:	
> the steps taken or impact on conservation of energy;	The Corporation is taking due care for using electricity in the office and its branches. The Corporation usually takes care for optimum utilization of energy. No capital investment on energy Conservation equipment made during the financial year.
> the steps taken by the company for utilizing alternate sources of energy;	
> the capital investment on energy conservation equipments;	
B) TECHNOLOGY ABSORPTION:	
> the efforts made towards technology absorption;	Every effort is being voluntarily made by the company
> the benefits derived like product improvement, cost reduction, product development or import substitution;	Not Applicable
> in case of imported technology (imported during the last three years reckoned from the beginning of the financial year)-	Not Applicable
(a) the details of technology imported;	
(b) the year of import;	
(c) whether the technology been fully absorbed;	
(d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof; Not applicable	

since 5 years period is over	
> the expenditure incurred on Research and Development	Not Applicable
(c) FOREIGN EXCHANGE EARNINGS AND OUTGO:	
> The Foreign Exchange earned in terms of actual inflows during the year and the Foreign Exchange outgo during the year in terms of actual outflows	Not Applicable

RISK MANAGEMENT

Risks are events, situations or circumstances which may lead to negative consequences on the Company's businesses. Risk management is a structured approach to manage uncertainty. A formal enterprise wide approach to Risk Management is being adopted by the Company and key risks will now be managed within a unitary framework. As a formal roll-out, all business divisions and corporate functions will embrace Risk Management Policy and Guidelines, and make use of these in their decision making. Key business risks and their mitigation are considered in the annual/strategic business plans and in periodic management reviews. The risk management process in our multi-business, multi-site operations, over the period of time will become embedded into the Company's business systems and processes, such that our responses to risks remain current and dynamic.

VIGIL MECHANISM / WHISTLE BLOWER POLICY

The Company has established a Vigil Mechanism / Whistle Blower Policy to deal with instances of fraud and mismanagement, if any. The Policy has a systematic mechanism for directors and employees to report concerns about unethical behavior, actual or suspected fraud or violation of the Company's Code of Conduct or policy.

REGULATORY ACTION

There are no significant and material orders passed by the regulators or courts or Tribunals that could impact the going concern status and operations of the company in future.

STATUTORY AUDITORS AND THEIR REPORT

At the Annual General Meeting held on 30th September, 2015, **M/s. WADHAWAN & CO., Chartered Accountants** (FRN No. 129455W) was appointed as statutory auditors of the company to hold office till the conclusion of the Annual General Meeting to be held in the calendar year 2020. In terms of the first proviso to Section 139 of the Companies Act, 2013.

Company has received certificate from the Auditors to the effect they are not disqualified to continue as statutory auditors under the provisions of applicable laws.

There are no observations (including any qualification, reservation, adverse remark or disclaimer) of the Auditors in their Audit Report that may call for any explanation from the Directors. Further, the notes to accounts referred to in the Auditor's Report are self-explanatory.

SECRETARIAL AUDITORS

The Secretarial Audit is not applicable on the company as it is not covered under the provisions of Section 204 of the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

COST RECORDS

The Board has appointed **Anuj Aggarwal & Co., Cost Accountant** (FRN: 102409), to conduct Cost Audit for the Financial Year 2019-20.

CORPORATE INSOLVENCY RESOLUTION PROCESS INITIATED UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016 (IBC)

No such process initiated during the period under review under the Insolvency and Bankruptcy Code, 2016 (IBC).

FAILURE TO IMPLEMENT ANY CORPORATE ACTION

All the corporate action taken during financial year 2019-20 and reporting for the same with the concerned department has been completed within specified time limit.

ANNUAL RETURN

The Extract of Annual Return as required under section 92(3) of the Companies Act, 2013 in Form MGT-9 is annexed herewith for your kind perusal and information. **(Annexure: 1)**

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

The Company has in place an Anti Sexual Harassment Policy in line with the requirements of The Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013.

Internal Complaints Committee (ICC) has been set up to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under this policy.

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

HUMAN RESOURCES AND INDUSTRIAL RELATIONS

The Company takes pride in the commitment, competence and dedication of its employees in all areas of the business. The Company has a structured induction process at all locations and management development programs to upgrade skills of managers. Objective appraisal systems based on key result areas (KRAs) are in place for senior management staff.

The Company is committed to nurturing, enhancing and retaining its top talent through superior learning and organizational development. This is a part of our Corporate HR function and is a critical pillar to support the organization's growth.

HEALTH, SAFETY AND ENVIRONMENT PROTECTION

Company's Health and Safety Policy commits to comply with applicable legal and other requirements connected with occupational Health, Safety and Environment matters and provide a healthy and safe work environment to all employees of the Company.

SECRETARIAL STANDARDS

The Company has complied with Secretarial Standards issued by the Institute of Company Secretaries of India on Board and General Meetings of the Company.

APPRECIATION AND ACKNOWLEDGEMENT

Your Directors place on record their deep appreciation to employees at all levels for their hard work, dedication and commitment. The Board places on record its appreciation for the support and co-operation, your company has been receiving from its Suppliers, Retailers, Dealers & Distributors and others associated with the Company. The Directors also take this opportunity to thank all Clients, Vendors, Banks, Government and Regulatory Authorities for their continued support.

Date: 27th October, 2020
Place: Ahmedabad

For & on behalf of the Board of Directors
Baheti Metal and Ferro Alloys Limited

Shankerlal Shah
DIN : 00131715
Managing Director

Savitaben Shah
DIN : 00131134
Director

Contact Us :

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