



2020

# ANNUAL REPORT

**REG. OFFICE:** 3E/17, B.P., NIT, FARIDABAD – 121001

**CORP. OFFICE:** Plot No. 344, Sector-3, Phase-II, IMT  
Bawal - 123501

**Web Link:** [www.rajnandinimetal.com](http://www.rajnandinimetal.com)

**E-Mail Id:** [info@rajnandinimetal.com](mailto:info@rajnandinimetal.com)



## RAJNANDINI METAL LIMITED

CIN: L51109HR2010PLC040255

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### ANNUAL REPORT 2019-20

#### **BOARD OF DIRECTORS**

Chairman	:	HET RAM SHARMA
Directors	:	MITHLESH SHARMA :SURENDER SHARMA : SHIV KUMAR
Chief Financial Officer	:	MANOJ KUMAR JANGIR
Secretarial Auditor	:	ABHISHEK J & CO.
Statutory Auditor	:	SANMARKS & ASSOCIATES
Bankers	:	KARNATAKA BANK
Registrar to the Company	:	BIGSHARE SERVICES PVT LTD
Registered Office	:	3E/17, B.P., NIT, FARIDABAD
Corp. Office	:	PLOT NO. 344, SECTOR-3, PHASE-II, IMT BAWAL-123501
Website	:	<a href="http://www.rajnandinimetal.com">www.rajnandinimetal.com</a>

## **CHAIRMAN'S SPEECH**



**Dear Valued Shareholders,**

On behalf of the Board of Directors of your Company, it is great pleasure for me to extend a very warm welcome to each one of you at the 10<sup>th</sup> Annual General Meeting of your Company.

At RML, we are continuously strengthening our Business model day by day. From the day one we have set a vision and execution plan, which is the cornerstone of a long term sustainable growth. We strongly believe that a Company needs to have a futuristic approach, customer centricity, timely investment in technology and management dedication. The Company has recently started its Manufacturing Unit in November, 2019 for production of copper metal products. Till now the Company is successfully operating the new manufacturing unit and producing quality products meeting customer demand.

It is heartening to note that despite of challenging environment, RML continued to stay on track with profitable growth. In recent years we have seen an increasing demand of our products, which has fuelled us to grab the opportunities and led us to grow. The future growth prospects are clearly positive and RML with its readiness is fully geared to make the most of its potential.

### **THE INDIAN ECONOMY**

Indian economy has shown sign of recovery in last couple of years with stronger growth, significantly narrowed current account deficit, fiscal deficit moving towards a consolidation path and inflation trending downwards. However Indian economy is certainly capable of achieving higher growth than the current levels. In order to achieve and sustain such economic growth it is imperative that there should be an enabling atmosphere that fosters competition and improves ease of doing business. The challenge, therefore, is to initiate structural reforms for sustainable higher economic growth.

But this year, a worst COVID-19 pandemic has hit the world. The whole economy has been negatively affected by the pandemic. The Indian economy is likely to rebound in the second half of 2020 as the impacts of COVID-19 pandemic, and is projected to grow by 6.5 percent in the next financial year. The pandemic resulted in severe disruptions in industrial production in the month of April and May and drastically reduced the consumption spending in India.

The severe negative impact is expected to result in a significant contraction in GDP in 2020, resulting in a recession in the year 2020-21. The IMF predicts India's economy to contract by 4.5 % in 2020-21.

### **PERFORMANCE HIGHLIGHTS**

Your Company continues to accomplish a healthy and steady growth during the financial year 2019-20.

Below are the key financial achievements of the Company:

- ❖ Profit before tax has increased to Rs. 161.82 lakhs in FY 2019-20 as compared to Rs. 154.00 lakhs during FY 2018-19 showing a steady growth of 5.07%.
- ❖ Profit after tax has increased to Rs. 115.91 lakhs in FY 2019-20 as compared to Rs. 104.50 lakhs during FY 2018-19 showing a healthy growth of 10.91%.

### **ACKNOWLEDGEMENT**

Before I conclude, on behalf of the Board of Directors of your Company, I would like to express my sincere thanks to the valued shareholders, our customers, employees, partners, suppliers and the communities for your continued support and trust in us. This motivates us to excel in all our pursuits and constant endeavour to create value for you.

We look forward to an enduring and mutually beneficial relationship with our investors.

Thank you once again and offer my best wishes for the upcoming years. We continue to look forward for your support and encouragement in the coming years as well.

Sd/-  
Het Ram Sharma  
Chairman and Managing Director  
DIN: 02925990

**Dated: August 07, 2020**

## NOTICE

Notice is hereby given that 10<sup>th</sup> Annual General Meeting of the Members of **Rajnandini Metal Limited** (“the Company”) will be held on Monday, 31<sup>st</sup> August, 2020 at 2:00 p.m at the registered office of the Company, to transact the following business:

### ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statements for the financial year ended on 31<sup>st</sup> March, 2020 and Report of the Board of Directors and the Auditors thereon.

2. To ratify the appointment of Statutory Auditors of the Company for the Financial Year 2020-2021 and fix their remuneration:

To consider and if thought fit to pass with or without modifications, the following resolution as Ordinary Resolution:

**“RESOLVED THAT** pursuant to Section 139, 142 and any other applicable provisions of the Companies Act, 2013 read with Companies (Audit and Auditors) Rules, 2014 (including any statutory modification (s) or re-enactment thereof, for the time being in force) , in pursuance to recommendation of Board and in pursuance to the resolution passed by the members of the Company at the Annual General Meeting held on July 26, 2019 for appointment of **M/s SANMARKS & ASSOCIATES**, Chartered Accountant, Faridabad, FRN 003343N, as Statutory Auditors of the Company for a block of subsequent five financial year ending 31<sup>st</sup> March, 2024, the appointment of **M/s SANMARKS & ASSOCIATES**, Chartered Accountant, Faridabad, FRN 003343N as Statutory Auditor of the company for conducting the Statutory Audit for the Financial year 2020-21 be and is hereby ratified and approved.”

**“RESOLVED FURTHER THAT** the Board of Directors be and are hereby authorized to fix the remuneration and reimbursement of out of pocket expenses, if any, for the said period, as may be mutually agreed by M/s SANMARKS & ASSOCIATES and the Board.”

**“RESOLVED FURTHER THAT** Mr. Het Ram Sharma, Managing Director of the Company and Mrs. Mithlesh Sharma, Director of the Company be and are hereby jointly and/or severally authorized to do all such acts, deeds, things as may be necessary in this regard and to file necessary forms with ROC to give effect to this resolution.”

3. To appoint a Director in place of Mr. Het Ram Sharma (DIN: 02925990), who retires by rotation and being eligible offers himself for re-appointment.

To consider and, if thought fit, to give assent or dissent, to the following resolution to be passed as an Ordinary Resolution:

**“RESOLVED THAT** pursuant to the provisions of Section 152 and other applicable provisions, if any, of the Companies Act, 2013, Mr. Het Ram Sharma (DIN: 02925990), who retires by rotation,

be and is hereby re-appointed as a director of the Company, liable to retire by rotation."

**“RESOLVED FURTHER THAT** Mr. Het Ram Sharma, Managing Director of the Company and Mrs. Mithlesh Sharma, Director of the Company be and are hereby jointly and/or severally authorized to do all such acts, deeds, things as may be necessary in this regard and to file necessary forms with ROC to give effect to this resolution.”

**SPECIAL BUSINESS:**

4. To Approve contract/arrangement for material Related Party Transactions with various related parties.

To consider and if thought fit to pass with or without modifications, the following resolution as Special Resolution:

**“RESOLVED THAT** pursuant to the provisions of section 188 and other applicable provisions, if any, of the Companies Act, 2013 (as amended or re-enacted from time to time) and the Companies (Meeting of Board and its Powers) Rules, 2014 and Regulation 23 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulation 2015 (including any statutory modification(s) or enactment therefore for the time being in force), the consent of the member of the Company be and is hereby accorded to the Material Related Party Transactions with all the related parties as mentioned in the explanatory statement as entered by the Company for the financial year 2020-21 of a value of Rs. 6 crores.

**“RESOLVED FURTHER THAT** Mr. Het Ram Sharma, Managing Director of the Company and Mrs. Mithlesh Sharma, Director of the Company be and are hereby jointly and/or severally authorized to do all such acts, deeds, things as may be necessary in this regard and to file necessary forms with ROC to give effect to this resolution.”

5. To consider and approve increase in Authorised Share Capital of the Company

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

**“RESOLVED THAT** pursuant to the provisions of Section 13, 61, 64 and other applicable provisions, if any, of the Companies Act, 2013, (including any statutory modification(s) and reenactment(s) thereof for the time being in force) read with Article 3 of the Articles of Association of the Company and the rules framed thereunder, consent of the Members be and is hereby accorded to increase the Authorized Share Capital of the Company from the present INR 6,50,00,000 (Indian Rupees Six Crores, Fifty Lakhs only) divided into 65,00,000 (Sixty Five Lakhs only) of INR 10 (Indian Rupees Ten) each to INR 12,50,00,000 (Indian Rupees Twelve Crores, Fifty lakhs only) divided into 1,25,00,000 (One Crore, Twenty Five Lakhs) of INR 10 (Indian Rupees Ten) each by

creating additional 60,00,000 (Sixty Lakh) equity shares of Rs. 10 each ranking pari passu in all respects with the existing equity shares of the Company.

**“RESOLVED FURTHER THAT** the Memorandum of Association of the Company be and is hereby altered by substituting the existing Clause V thereof by the following new Clause V as under:

“The Authorised Share Capital of the Company is INR 12,50,00,000 (Indian Rupees Twelve Crores, Fifty lakhs only) divided into 1,25,00,000 (One Crore, Twenty Five Lakhs) equity shares of INR 10 (Indian Rupees Ten) each”

**“RESOLVED FURTHER THAT** the increased share capital will have the power to increase and reduce the capital of the company and to divide the shares in the capital for the time being into different classes and to attach thereto respectively such preferential or special rights or privileges or conditions as may be determined by or in accordance with the regulations of the company.

**“RESOLVED FURTHER THAT** the directors of the Company be and are hereby severally authorized to do all such act(s), deed(s) and things including all forms, documents filing with Registrar of Companies as may be necessary and incidental to give effect to the aforesaid Resolution.”

6. To Consider and approve the Issue Of Bonus Shares

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

**“RESOLVED THAT** pursuant to the provisions of Section 63, and other applicable provisions, if any, of the Companies Act, 2013 read with relevant rules framed, Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulation, 2015 (“Listing Regulations”) and other applicable regulations issued by the Securities and Exchange Board of India (including any statutory modification(s) or re-enactment thereof from time to time), Article 225 of the Articles of Association of the Company and on the recommendation of the Board of Directors (“the Board”), (which term shall be deemed to include any Committee of Directors thereof which the Board may have constituted) of the Company, and subject to such approvals, permissions and sanctions as may be necessary and further subject to such conditions and modifications as may be prescribed or imposed while granting such approvals, permissions and sanctions which may be agreed to by the Board, the consent of the shareholders be and is hereby accorded to issue fully paid up Bonus Share in the ratio 1:1 i.e. holder of each shareholder shall be issued 1 fully paid equity shares each aggregating to further issue of 61,44,000 ( Sixty One Lakhs, Forty Four Thousand) shares of Rs. 10 each amounting to Rs. 6,14,40,000 /- (Rupees Six Crores, Fourteen Lakhs, Forty Thousand only) be

capitalized out of the Reserves/Share Premium Account of the Company for distribution among the existing equity shareholders of fully paid equity shares of the Company, whose name will be appearing in the Register of Members/Beneficial Owners Position of the Company on the Record date determined by the Board of the Company, provided the equity shares held by the concerned shareholders of the Company is in demat form as per the requirement of the Companies (Prospectus and Allotment of Securities) Third Amendment Rules, 2018.

**“RESOLVED FURTHER THAT** the bonus shares of face value Rs. 10(Rupees Ten) each to be allotted and issued as bonus shares shall be subject to the terms of Memorandum and Articles of Association of the Company and Companies (Prospectus and Allotment of Securities) Third Amendment Rules, 2018 as amended and shall rank pari-passu in all respects with and carry the same rights as the existing fully paid equity shares of the Company and shall be entitled to participate in full in any dividend(s) to be declared (if any) after the bonus shares are allotted.

**“RESOLVED FURTHER THAT** the allotment of the bonus shares to the extent that they relate to non-resident members of the Company, shall be subject to the approval, if any, of the Reserve Bank of India under the Foreign Exchange Management Act, 1999, as amended, as may be deemed necessary.

**“RESOLVED FURTHER THAT** for the purpose of giving effect to the aforesaid resolution, Mr. Het Ram Sharma, Managing Director of the Company and Mrs. Mithlesh Sharma, Director of the Company be and are hereby jointly/severally authorized to file the necessary E -Forms with the Registrar of Companies or any other Authority and do all such acts, deeds, matters and things whatsoever as deem necessary or expedient to give effect to the above resolution, including settling any question, doubt or difficulties that may arise with regard to or in relation to the issue or allotment of the bonus shares and to accept on behalf of the Company, any conditions, modifications, alterations, changes, variations in this regard as prescribed by the statutory authority(ies) which they think fit and proper.”

7. To approve the upward revision in the remuneration of Mrs. Mithlesh Sharma, Director of the Company

To consider and thought fit to pass with or without modifications, the following resolution as a Special Resolution:

**“RESOLVED THAT** pursuant to the provisions of Section 197 and other applicable provisions, if any of Companies Act, 2013 as amended time to time and the rules made thereunder (including any statutory modification or re-enactment thereof) read with Schedule V of the Companies Act, 2013 and pursuant to the recommendation of Nomination and Remuneration Committee and Audit Committee, consent of the shareholders of the Company be and is hereby accorded to increase the

remuneration of Mrs. Mithlesh Sharma (Din: 06810394) on the base of performance with effect from 1st April, 2020 on the following terms as under:

S.No.	Particulars	Amount
1	Salary	1,20,000
2	HRA	50,000
3	Conveyance	20,000
4	Others	10,000
Total		Rs. 2,00,000

**“RESOLVED FURTHER THAT** Mr. Het Ram Sharma, Director of the Company and Mr. Manoj Kumar Jangir, Chief Financial Officer of the Company are hereby severally authorized to do all such act(s), deed(s) and things including all forms, documents filing with Registrar of Companies as may be necessary and incidental to give effect to the aforesaid Resolution.”

**By Order of Board of Directors**

For **Rajnandini Metal Limited**

Sd/-

**Het Ram Sharma**

**Managing Director**

**DIN: 02925990**

**Dated: August 07, 2020**

## NOTES:

1. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, which sets out details relating to Special Business at the meeting, is annexed hereto.
2. **A member entitled to attend and vote is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a member of the company.**
3. Proxies, in order to be effective, should be duly stamped, completed, signed and deposited at the Registered Office of the Company not less than 48 hours before the meeting. Pursuant to Section 105 of the Companies Act, 2013, a person can act as proxy on behalf of not more than fifty members holding in aggregate, not more than ten percent of the total share capital of the Company. Members holding more than ten percent of the total share capital of the Company may appoint a single person as a proxy who shall not act as a proxy for any other member. A Proxy form is sent herewith. Proxies submitted on behalf of the companies, societies etc., must be supported by an appropriate resolution/authority, as applicable.
4. The Register of Members and the Share Transfer Books of the Company will remain closed from August 24, 2020 to August 31, 2020 (both days inclusive).
5. The route map showing directions to reach the venue of the meeting is annexed.
6. Members/Proxies are requested to affix their signatures at the space provided on the attendance slip annexed to the proxy form and hand over the slip at the entrance of the meeting hall.
7. The members, holding shares in dematerialized form may intimate any change in their addresses or bank details/mandates to their Depository Participants (DP) immediately.
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. Periodic statement of holdings should be obtained from the concerned Depository Participant and holdings should be verified.
9. The Notice of Annual General Meeting, along with the Attendance Slip and Proxy Form, are being sent by electronic mode to all members whose email addresses are registered with the Company/Depository Participant(s) unless a member has requested for a hard copy of the same.
10. All documents referred to in the accompanying notice and the explanatory statement shall be open for inspection at the Registered Office of the Company between 10.00 a.m. to 05.00 p.m. on all working days, except on holidays, up to and including the date of the Annual General Meeting of the Company.
11. No Physical Notice/Annual Report will be dispatched to Shareholders due to ongoing COVID pandemic. Circular issued by the Ministry of Corporate Affairs dated May 05, 2020 specifically mentions the same. Electronic copy of the Annual Report 2019-20 is being sent to those Members whose email address is registered with the Company/ Depositories for communication purpose. Members may note that this Notice of AGM and Annual Report will also be available on the Company's website viz. [www.rajnandinimetal.com](http://www.rajnandinimetal.com)
12. To support the "Green Initiative", Members who have not registered their email addresses are requested to register the same with the Company's Registrar and Share Transfer Agent/their Depository Participants, in respect of shares held in physical/electronic mode, respectively. Copies of Annual Report

will not be distributed to the members at the venue of the AGM. Members are requested to bring their copies of Annual Report at the time of Annual General Meeting.

13. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and the Circulars issued by the Ministry of Corporate Affairs dated April 08, 2020, April 13, 2020 and May 05, 2020. The Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with National Depository Services (India) Limited (NSDL) for facilitating voting through electronic means, as the authorized e-Voting's agency. The facility of casting votes by a member using remote e-voting as well as venue voting system on the date of the AGM will be provided by NSDL.
14. The facility for voting, through polling paper shall also be made available at the AGM and the Members attending the meeting who have not already cast their vote by remote e-voting shall be able to exercise their right to vote at the AGM. Poll is conducted under the supervision of the Scrutinizer appointed for e-voting and poll. Scrutinizer decision on validity of vote will be final.
15. The Chairman shall, at the meeting, 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 Polling Paper for all those members who are present at the meeting but have not cast their votes by availing the remote e-voting facility.
16. The Board of Directors of the Company has appointed M/s Abhishek J & Co., Practicing Company Secretaries as a Scrutinizer, for conducting voting and poll during the Annual General Meeting and to oversee voting process.
17. The cut-off date for the purpose of remote e-voting and voting at the AGM shall be Monday, 24<sup>th</sup> August, 2020. The voting right of members shall be in proportion to their shares in the paid up equity share capital of the Company as on Cut-off date.
18. The remote e-voting period begins on Friday, 28<sup>th</sup> August, 2020 at 09:00 a.m. and ends on Sunday, 30<sup>th</sup> August, 2020 at 5.00 p.m. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date i.e., Monday, 24<sup>th</sup> August, 2020 may cast their vote electronically. The evoting 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.
19. The Members who have casted 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.
20. The way to vote electronically on NSDL e-voting system are mentioned below:  
The procedure to login to e-Voting website consists of two steps as detailed hereunder:
  1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/>.
  2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholders' section.
  3. A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen. Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after

using your log-in credentials, click on e- Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

4. Your User ID details will be as per details given below :

a) For Members who hold shares in demat account with NSDL: 8 Character DP ID followed by 8 Digit Client ID (For example if your DP ID is IN300\*\*\* and Client ID is 12\*\*\*\*\* then your user ID is IN300\*\*\*12\*\*\*\*\*).

b) For Members who hold shares in demat account with CDSL: 16 Digit Beneficiary ID (For example if your Beneficiary ID is 12\*\*\*\*\* then your user ID is 12\*\*\*\*\*).

c) For Members holding shares in Physical Form: EVEN Number followed by Folio Number registered with the company (For example if folio number is 001\*\*\* and EVEN is 101456 then user ID is 101456001\*\*\*).

5. Your password details are given below:

a. If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.

b. If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need enter the 'initial password' and the system will force you to change your password.

c. How to retrieve your 'initial password'?

i. If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.

ii. If your email ID is not registered, your 'initial password' is communicated to you on your postal address.

6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:

a. Click on "Forgot User Details/Password?"(If you are holding shares in your demat account with NSDL or CDSL) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).

b. "Physical User Reset Password?" (If you are holding shares in physical mode) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).

c. If you are still unable to get the password by aforesaid two options, you can send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) mentioning your demat account number/folio number, your PAN, your name and your registered address.

d. Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.

7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.

8. Now, you will have to click on "Login" button.

9. After you click on the "Login" button, Home page of e-Voting will open.

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

1. After successful login at Step 1, you will be able to see the Home page of e-Voting. Click on e-Voting. Then, click on Active Voting Cycles.
2. After click on Active Voting Cycles, you will be able to see all the companies “EVEN” in which you are holding shares and whose voting cycle is in active status.
3. Select “EVEN” of the Company.
4. Now you are ready for e-Voting as the Voting page opens.
5. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on “Submit” and also “Confirm” when prompted.
6. Upon confirmation, the message “Vote cast successfully” will be displayed.
7. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
8. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

**General Guidelines for shareholders:**

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail ([csabhishek2@gmail.com](mailto:csabhishek2@gmail.com)) to with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the “Forgot User Details/Password?” or “Physical User Reset Password?” option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) to reset the password.
22. The Scrutinizer, after scrutinizing the votes cast at the meeting (Poll) and through remote e-voting, will, not later than forty eight (48) hours of conclusion of the Meeting, make a Consolidated Scrutinizer’s report and submit the same to the Chairman or any other person authorized by him in writing who shall declare the result of the voting forthwith. The Results declared alongwith the Consolidated Scrutinizer’s report shall be placed on the website of the Company [www.rajnandinimetal.com](http://www.rajnandinimetal.com) and on the website of NSDL immediately after the declaration of result. The results shall also be immediately forwarded to the Stock Exchange where the equity shares of the Company are listed.
  - c) Subject to receipt of sufficient votes, the resolution(s) shall be deemed to be passed at the 10<sup>th</sup> Meeting of the Company scheduled to be held on Monday, 31<sup>st</sup> August, 2020.

**23. APPOINTMENT AND REAPPOINTMENT OF DIRECTORS**

The information is required under the Regulation 36 of the SEBI (LODR) regulations 2015 and Secretarial Standard on General Meeting, in relation to the appointment/re-appointment at ensuing Annual General Meeting of Directors as under

Name of Director	Mr. Het Ram Sharma
DIN	02925990
Nationality	Indian
Date of Appointment	01.04.2016
Qualification	Bachelors of Arts
Experience	Mr. Het Ram Sharma is the Promoter and Managing Director of the Company and has a rich experience of more than 17 Years in the field of metal industry and is running the Company since incorporation
Directorship held in other companies	Loveni Marketing and Advertising Private Ltd.
Chairman/Member of the Committees(s) of the Board of Directors of the Listed Companies	NIL
Number of Shares held in the Company	24,97,440
Relationship with other Directors	Mr. Het Ram Sharma is husband of Mrs. Mithlesh Sharma.

**By Order of Board of Directors**

For **Rajnandini Metal Limited**

Sd/-

**Het Ram Sharma**  
**Managing Director**  
**DIN: 02925990**

**Dated: August, 07, 2020**

**EXPLANATORY STATEMENT AS REQUIRED UNDER SECTION 102 OF THE COMPANIES ACT, 2013**

As required by sub section 1 of Section 102 of the Companies Act, 2013, the following explanatory statement set out all the material facts relating to Items of the accompanying Notice dated 7<sup>th</sup> August, 2020.

**ITEM NO. 04:**

**To Approve contact/arrangement for material Related Party Transactions with various related parties.**

Section 188 of the Companies Act, 2013 read with rule 15 of Companies (Meetings of Board and its Powers) Rules, 2014, as amended, prescribe certain procedure for approval of related party transactions. The Regulation 23 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 has also prescribed seeking of shareholder's approval for material related party transactions. Proviso to Section 188 provides that nothing contained in sub-section 188 applies where transactions are entered into by the Company in the ordinary course of business other than transactions which are not on an arm's length basis.

All the proposed transactions put up for approval are in ordinary course of business and at arm's length. Pursuant to the provisions of Regulation 23 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015, the following contracts / arrangements / transactions are material in nature and require approval of unrelated shareholders of the Company by an Ordinary Resolution:

<b>Sr. No.</b>	<b>Name of Related Party</b>	<b>Relationship</b>	<b>Maximum Value of Transactions per annum (Rs. in Crore)</b>	<b>Nature and Material Terms/Particulars of the contract or arrangement</b>
1	Loveni Marketing & Advertising Pvt. Ltd.	Mr. Het Ram Sharma and Mrs. Mithlesh Sharma, are interested as he is director in the Board of the Company	1.5 Crore	Sale and purchase
2	Het Ram HUF	Mr. Het Ram Sharma, is interested as he is director in the Board of the Company	1.5 Crore	Sale and purchase

3	Atma Ram Sharma HUF	Karta is farther of Promoter and Managing Director	1.5 Crore	Sale and purchase
4	Ms. Nandini Sharma	Nandini Sharma is daughter of Mr. Het Ram Shama & Mrs. Mithlesh Sharma, Directors of the Company	1.5 Cr.	Interest paid by the Company on unsecured Loan and Borrowing by Company by way of Unsecured loan

As per Regulation 23 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, all material related party transactions shall require approval of the shareholders through ordinary resolution and the related parties shall abstain from voting on such resolution whether the entity is a related party to the particular transaction or not. Further as per Rule 15 of the Companies (Meetings of Board and its Powers) Rules 2014, where any Director is interested in any contract or arrangement with a related party, such Director shall not be present at the meeting during discussion on the subject matter of the resolution relating to such contract or arrangement. Accordingly, all related parties of the Company shall not participate or vote on this resolution.

The Board recommends this resolution set out in Item No. 04 of this notice for approval of the members. Mr. Het Ram and Mrs. Mithlesh Sharma are interested in the said resolution. None of the other Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested.

**Item No. 5:**

**To consider and approve the increase in Authorised Share Capital of the Company**

The Current Authorized Capital of the Company is INR 6,50,00,000 (Indian Rupees Six Crores, Fifty Lakhs only) divided into 65,00,000 (Sixty Five Lakhs only) of INR 10 (Indian Rupees Ten) each and the paid up share capital of the Company is Rs. 6,14,40,000/- (Rupees Six Crores, Fourteen Lakhs, Forty Thousands only) consisting of 61,44,000 (Sixty One lakhs, Forty Four Thousand only) INR 10 (Indian Rupees Ten) each. It is therefore proposed to increase the Authorised Share Capital of the Company to INR 12,50,00,000 (Indian Rupees Twelve Crores, Fifty lakhs only) divided into 1,25,00,000 (One Crore, Twenty Five Lakhs) of INR 10 (Indian Rupees Ten) each to facilitate the further issue of equity shares of the company.

The proposed increase of the Authorised Share Capital of the Company requires the approval of the Members by passing a Special Resolution at a General Meeting. Consequently upon the increase in authorized share capital of the Company, its Memorandum of Association will require alteration so as to reflect the increase in authorized share capital of the Company.

Pursuant to Section 13 and 61 the Companies Act, 2013, alteration of the Capital Clause requires approval of the members of the Company by way of passing an Ordinary Resolution to that effect. Accordingly, authority of Members of the Company is hereby sought by way of Special Resolution set out as Item No.

5 of the notice conveying the meeting.

The above Special Resolution is in the interest of the Company and the Directors recommend the Resolution set out in the Notice for the approval of the Members.

No Director, Manager, other key managerial personnel and relatives of the same are concerned or interested in the passing of this Resolution.

**Item No: 6**

**To Consider and approve the Issue of Bonus Shares**

The equity shares of the Company are listed and traded on EMERGE platform of National Stock Exchange of India Limited. The members are aware that the operations and performance of the Company has grown significantly over the past few years which has generated considerable interest in the Company's equity shares in the market. The Company also has registered a decent profit in past few years with the continuing support of the shareholders of the Company. To issue fully paid up Bonus shares in the ratio 1:1 aggregating to further issue of 61,44,000 ( Sixty One Lakhs, Forty Four Thousand) shares of Rs. 10 each amounting to Rs. 6,14,40,000 /- (Rupees Six Crores, Fourteen Lakhs, Forty Thousand only), will be capitalized out of the Reserves/Share Premium Account of the Company for distribution among the existing equity shareholders of fully paid equity shares of the Company.

In order to improve the liquidity of the Company's shares in the stock market and reward its investors, the Board of Directors of the Company at their meeting held on 07<sup>th</sup> August, 2020, considered it desirable to recommend issue of Bonus shares in the ratio 1:1 subject to approval of shareholders and such other authorities as may be necessary. The proposed issue of Bonus shares is capitalized out of the reserves of the Company for distribution among the existing equity shareholders of fully paid equity shares of the Company, whose name will be appearing in the Register of Members/Beneficial Owners Position of the Company on the Record date determined by the Board of the Company. Also the proposed Bonus Issue is authorized by the Article No. 225 of the existing Articles of Association of the Company and in conformity with the Companies Act, 2013.

The Record date for the purpose of issue of Bonus Shares shall be fixed by the Board of Directors and updated to the Stock Exchange in due course of time.

None of the Directors / Key Managerial Personnel or their relatives is concerned or interested in the resolution except to the extent of their shareholding in the Company.

The Board recommends passing of the resolution set out at Item No. 6 as a Special Resolution

**Item No: 7**

**To consider and approve Increase in remuneration of Mrs. Mithlesh Sharma, Director of the Company**

Mrs. Mithlesh Sharma was appointed as an Executive Director of the company w.e.f. 01.04.2016 by the Board. The same was subsequently approved by the Members at the AGM held on 30.09.2016.

Further, considering the contribution of Mrs. Mithlesh Sharma and the progress made by the Company with her guidance and on the recommendation of Nomination & Remuneration Committee and Audit Committee, the Board at its meeting held on 7<sup>th</sup> August, 2020 approved the increase in her remuneration on terms and conditions enumerated in the resolution.

Pursuant to Section 197 read with Schedule V of the Companies Act, 2013, the revised remuneration is required to be approved by the members of the Company at their meeting due to inadequacy of profits.

It is hereby confirmed that, the Company has not committed any default in respect of any of the debts or interest payable thereon for a continuous period of 30 days in the preceding financial year and in the current financial year.

It is submitted that based on the projections, the overall remuneration may exceed the limits in Section 197 of the Companies Act, 2013. The Members are requested to consider the revision in remuneration of Mrs. Mithlesh Sharma, Director of the Company.

Pursuant to clause (iv) of Section II of Schedule V of the Companies Act, 2013 the following statement is given:

I.	General Information	
(1)	Nature of the Industry	N.A
(2)	Date or expected date of commencement of commercial production	N.A
(3)	In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus	N.A
(4)	Financial performance based on given indicators	Performance for F.Y 2019-20: 1. Gross Revenue: Rs. 148.41 Cr. 2. Profit after Tax: Rs. 1.15 Cr. 3. Dividend: NIL 4. E.P.S: 1.88
(5)	Foreign investments or collaborations, if any.	N.A
II	Information about the Director	
(1)	Background details	Mrs. Sharma aged 40 years is the promoter and director of our Company and an experienced professional. She has done Bachelor of Arts. She is an expert in Human Relations and has hired, trained and managed the internal staff.
(2)	Past Remuneration	The Remuneration drawn by Mrs. Mithlesh

		Sharma during the Year 2019-20 is as follows:
		Salary 60,000
		HRA 25,000
		Conveyance 10,000
		Others 5,000
		Total 1,00,000
(3)	Recognition of awards	N.A
(4)	Job Profile	She has been part of the group from past 10 years and she is an expert in Human Relations and has hired, trained and managed the internal staff.
(5)	Remuneration proposed	As mentioned in the resolution stated above
(6)	Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of his origin)	Considering the responsibility shouldered by her of the enhanced business activities of the Company, proposed remuneration is commensurate with the existing Industry standards for the managerial personnel falling under the same cadre
(7)	Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any.	Mrs. Sharma is wife of Mr. Het Ram Sharma, the Managing Director of the Company.
III	Other Information:	
(1)	Reasons of Loss or Inadequate profits	Company is not running in losses. The Company has recently in October 2019, started its manufacturing plant and day by day contributing to the growth of the Company. But the heavy competition in market is the biggest reason for inadequate profits.
(2)	Steps taken or proposed to be taken for improvement	The management is contributing in every possible way in growth of the Company and to meet the competition.
(3)	Expected increase in productivity and profits in measurable terms	In few months, it's expected to bring the profits in measurable terms.

The Board recommends this resolution set out in Item No. 07 of this notice for approval of the members.

Mr. Het Ram and Mrs. Mithlesh Sharma are interested in the said resolution. None of the other Directors

and Key Managerial Personnel of the Company and their relatives is concerned or interested.

**By Order of Board of Directors**

**For Rajnandini Metal Limited**

**Sd/-**

**Het Ram Sharma**

**Managing Director**

**DIN: 02925990**

**Dated: August 07, 2020**



**RAJNANDINI METAL LIMITED**

(CIN: L51109HR2010PLC040255)

Registered Office: 3E/17, B.P., N.I.T, Faridabad-121001

Corporate Office: Plot No. 344, Sector – 3, Phase – II, IMT Bawal - 123501

**DIRECTORS' REPORT TO THE SHAREHOLDERS**

Your Directors have pleasure in presenting before you the Tenth (10<sup>th</sup>) Annual Report of the Company for the financial year ended 31<sup>st</sup> March, 2020 along with audited statements of accounts and Auditors' Report thereon.

1. **FINANCIAL HIGHLIGHTS**

Particulars	Year Ended 31.03.2020 (Rs. in '000)	Year Ended 31.03.2019 (Rs. in '000)
Revenue from operations	14,841,74	13,67,682
Other income	4,344	1,042
Profit Before Finance Cost ,Depreciation & Amortization , Other Expenses and Taxation	66,300	50,974
Less: Finance Cost	24,551	18,143
Less: Depreciation and amortization	3,125	1,414
Less: Other Expenses	22,442	16,017
Profit Before tax	16,182	15,400
Less: Provision for tax		-
Current Tax	3086	4,557
Deferred Tax	1,505	392
Net Profit for the Year	11,591	10,451
Less: Income Tax Paid for earlier year	-	-
Add: Other Comprehensive Income	-	-
Total Comprehensive Income	11,591	10,451
Balance available for appropriations	11,591	10,451
Less: Dividend paid	-	-
Tax on dividend	-	-
Balance carried forward	11,591	10,451

2. **State Of Company's Affairs**

Our Company was incorporated as a private limited company namely "Rajnandini Metal Private Limited" under the Companies Act, 1956 vide certificate of incorporation dated March 18, 2010 issued by Registrar of Companies, NCT of Delhi and Haryana bearing registration no 040255. Further, Our Company was converted into a Public Limited Company in pursuance of a special resolution passed by the members of

our Company at the Extra Ordinary General Meeting held on March 01, 2018 and now, our company is a listed company, which is listed at SME platform of NSE on 08<sup>th</sup> October, 2018.

Your Company was engaged in the business of trading of ferrous and non – ferrous metals only. Your Company started a new manufacturing unit spread in 2 acre of land in November 2019, situated at Plot no. 344, Sector – 3, Phase – II, IMT Bawal – 123501 solely dedicated for production of Copper products. From then the Company is rapidly growing in manufacturing of copper products. Copper is the most widely used conductor in many kinds of electrical wiring. Copper has the lowest resistance to the flow of electricity of all non-precious metals. Electrical wiring in buildings is the most important market for the copper industry. About half of all copper mined is used to make electrical wire and cable conductors. Some of the properties of Copper are

- Electrical conductivity
- Tensile strength
- Ductility
- Strength and ductility combination
- Creep resistance - the copper does not change a lot because of heat
- Corrosion resistance
- Coefficient of thermal expansion
- Thermal conductivity
- Solderability
- Ease of installation

#### **RML PRODUCT LINE:**

We manufacture following products:

1. **Copper Wire Rod:** This is our main base product. Loose Copper scrap is binded into Bunches making it convenient to handle. Later the bunches are put into a computerized furnace where the smelting of scrap takes place. Then from a tunnel type structure ROD type structure comes out as our final base product. Size of this Rod is 8 mm. Till now this base product of us is mostly traded as it is. This product is purchased from us by B2B segments.

**From Drawing of our Base product (Cooper Wire Rod) other Products are made. These are:**

2. **Annealed Bare Copper Wire:** Bare Copper Wire is normally defined as wire made up of copper metal consisting of a single conductor for electrical signals, distinguished from a copper cable where several Bare Copper Wires are band together into a common jacket. Annealed Bare Copper Wire is formed by hardening and subjecting copper to heating below its melting point to make it malleable. Annealed Bare Copper Wire is then made using these copper materials. Annealing of copper wire makes it more ductile and reduces its hardness, making it more workable for different products. The properties of Annealed Copper Wires are high malleability, kink free, high electrical and thermal conductivity, highly flexible wires, Soft and annealed, highly conductive.
3. **Submersible Winding Wires:** Submersible Winding Wires are used in submersible pumps motors of all sizes for domestic and industrial application.

- 4. Power Cables & Wires:** A copper wire is a single electrical conductor made of copper. It can be insulated or uninsulated. A copper cable is a group of two or more copper wires bundled together in a single sheath or jacket. Copper wire and cable is used in power generation, power transmission, power distribution, telecommunications, electronics circuitry, and countless types of electrical equipment. These are also generally called as House Wires.

**We are also scrap purchaser. We purchase Copper scrap (all forms) from market and use it in the production process.**

**3. Review of business**

Your Company has registered a increase in the net revenue from operations for the year ended 31<sup>st</sup> March, 2020 at Rs.148.41 crores as against Rs 136.76 crores in the previous year.

**4. Dividend**

To conserve resources and plough back profits, your Directors have not recommended any dividend for the period under review.

**5. Transfer to Reserves**

Board of directors of your Company are of the opinion that there is a need to conserve the resources of the company, hence no dividend be declare for the period ended on 31<sup>st</sup> March, 2020. It is hoped that your company with increase in its income during the year and we ensure high returns to investors.

**6. Change in the Nature Of Business**

Earlier the Company was engaged only in the business of trading of ferrous and non – ferrous metals. But this year your Company entered in manufacturing. Your Company started a new manufacturing unit spread in 2 acre of land in November 2019, situated at Plot no. 344, Sector – 3, Phase – II, IMT Bawal – 123501 solely dedicated for production of Copper products. From then the Company is rapidly growing in manufacturing of copper products. Copper is the most widely used conductor in many kinds of electrical wiring. Copper has the lowest resistance to the flow of electricity of all non-precious metals. Electrical wiring in buildings is the most important market for the copper industry.

**7. Listing**

The Company got listed on NSE Emerge since October, 2018 and the approval for the same has been granted vide letter dated 03<sup>rd</sup> October, 2018. The trading of equity shares of the Company commenced on 08<sup>th</sup> October, 2018. The Company has not issued any kind of Shares in the year 2019-20.

8. **Conservation of energy, technology absorption, foreign exchange earnings and outgo**

Conservation of energy: Not applicable

Technology absorption: Not applicable

Foreign exchange earnings: There is no export of goods by the Company

9. **Material changes and commitment, if any, affecting the financial position of the company occurred between the end of the financial year to which these financial statements relate and the date of the report**

The Company started its manufacturing unit in November 2019 and engaged in production of Copper related products. From then Company is growing day by day which is positively affecting the financial position of the Company and increasing the revenues and profits of the Company. The details of which are reflected are the Balance Sheet.

10. **Particulars of loans, guarantees or investments made under section 186 of the companies act, 2013**

The Company has adhere to the provisions of section 186 of the Companies Act, 2013 in respect of loans, advances and investments which are duly accounted for & reflected in the audited financial statements (refer Note No. 12 to the “Notes to IND AS Financial Statements”).

11. **Subsidiaries, Joint Ventures and Associate companies along with their performance and financial position**

The Company does not have any Subsidiary, Joint venture or Associate Company. A report as presented in Form AOC-1 annexed to this Report as Annexure 1.

12. **Particulars of contracts or arrangements made with related parties**

All related party transactions that were entered into during the year under report were on an arm’s length basis and were in the ordinary course of business. There were 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.

Your Directors draw attention of the members to (refer Note No. 34 to the “Notes to IND AS Financial Statements”)

The particulars of contracts or arrangements with related parties referred to in sub-section (1) of section 188 is attached as Annexure-II in the Form AOC-2.

13. **Statutory Auditors**

Pursuant to the provisions of Section 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 read with Companies(Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force) and in pursuance to resolution passed by the members of the Company at the Annual General Meeting dated July 26, 2019 for appointment of M/s. SANMARKS & ASSOCIATES, Chartered Accountants, (FRN: 003343N) as statutory auditor of the Company for a block subsequent five financial years ending 31st March, 2024 subject to ratification by the Shareholders approval in every year. Your Directors recommends the ratification of appointment of Statutory Auditors in the upcoming AGM to be held for F.Y 2019-20.

14. **Cost Auditor**

Pursuant to Section 148 of the Companies Act, 2013 read with Companies (Cost Records and Audit) Amendment Rules, 2014, disclosure about the appointment of cost auditor is not mandatory. However as per prudent practices Companies will disclose about the appointment of Cost Auditor.

15. **Internal Control Systems and their adequacy**

The Company has an Internal Control System which is commensurate with the size, scale and complexity of its operations. To maintain its objectivity and independence, the Internal Audit reports to the Chairman of the Audit Committee of the Board & to the Managing Director.

The Internal Audit Department reviews the effectiveness and efficiency of these systems and procedures to ensure that all assets are protected against loss and that the financial and operational information is accurate and complete in all respects. Company policies, guidelines and procedures provide for adequate checks and balances and are meant to ensure that all transactions are authorized, recorded and reported correctly.

Pursuant to provision of Section 138 of the Companies Act, 2013, Board of Directors have appointed Mr. Manoj Kumar Jangir as an Internal Auditor of the Company on 15<sup>th</sup> July, 2020 to conduct the internal audit of the functions and activities of the Company for the year ended 31<sup>st</sup> March, 2020.

16. **Explanation or comments on qualifications, reservations or adverse remarks or disclaimers made by the auditors and the practicing company secretary in their reports**

There were no qualifications, reservations or adverse remarks made by the Auditors & the Practising Company Secretary in their report.

17. **Vigil Mechanism**

The Company has established a vigil mechanism that enables the Directors and Employees to report genuine concerns. The vigil mechanism provides for (a) adequate safeguards against victimization of persons who use the vigil mechanism; and (b) direct access to the Chairperson of the Audit Committee of the Board of Directors of the Company in appropriate or exceptional cases.

18. **Particulars of Employees**

There were no employee in receipt of remuneration of Rs. 1.02 crores Rupees per annum if employed for whole of the year, or Rs. 8.50 Lakhs Rupees per month, if employed for part of the year, whose particulars are required to be given under Rule 5(2) and (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014.

19. **Details of the remuneration to Directors**

Pursuant to section 197(12) of the Act read along with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 the information relating to remuneration of Directors and details of the ratio of the remuneration of each Director to the median employees remuneration and other details as required is attached as **Annexure-III** to the report

20. **Secretarial Audit Report**

Pursuant to the provisions of Section 204 of Companies Act, 2013 and Companies (Appointment and Remuneration of Managerial Personnel Rules) 2014, Company had appointed M/s Abhishek J & Co. Company Secretaries in Practice on 15<sup>th</sup> May, 2020 to undertake the Secretarial Audit of the Company for the financial year 2019-20. The Secretarial Audit Report is attached as Annexure-IV.

21. **Prevention of Sexual Harassment at Workplace**

As per the requirement of The Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013 and Rules made there under, An internal Complaints Committee (ICC) has been set up to redress the Complaint received regarding sexual harassment. There was no case of sexual harassment reported during the financial period under review.

22. **Matters related to Directors and Key Managerial Personnel**

In terms of the provisions Section 152 of the Companies Act, 2013 read with the Articles of Association of the Company, Mr. Het Ram Sharma (DIN: 02925990), Director of the Company is liable to retire by rotation at the ensuing Annual General Meeting and being eligible offered himself for reappointment.

23. **Directors Responsibility Statement**

In accordance with the provisions of Section 134(5) of the Companies Act, 2013 the Board hereby submits its responsibility Statement:

- (i) That in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (ii) That the Directors have selected such Accounting Policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give true and fair view of the state of affairs of the company at the end of the financial year and of the profit or loss of the company for the year for that period;
- (iii) That the Directors have taken proper and sufficient care for the maintenance of the adequate Accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities.
- (iv) That the Directors have prepared the annual accounts on a going concern basis.
- (v) 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.

24. **Number of Board Meetings conducted during the year under review**

During the financial period ended 2020, the Board of Directors duly met 6 times on 29.05.2019, 01.07.2019, 12.09.2019, 14.11.2019, 27.01.2020 & 31.03.2020 for which proper notices for meeting were given and the proceedings were properly recorded. Draft minutes of Board Meeting were circulated to members of the Board for their comments thereafter signed copy of minutes were also circulated to Board Members for confirmation of the same. Details of attendances are as under.

S. no	Name of Director	N.o. of Board Meetings		Attendance at the previous AGM
		Held during tenure	Attended during tenure	
1.	Mr. Het Ram	6	6	Yes
2.	Mrs. Mithlesh Sharma	6	6	Yes
3.	Mr. Surender Sharma	6	5	Yes
4.	Mr. Shiv Kumar	6	5	Yes

25. **Annual Return**

The extracts of Annual Return pursuant to the provisions of Section 92 read with Rule 12 of the Companies (Management and administration) Rules, 2014 is furnished in form MGT -9 attached as **Annexure-V**.

26. **Performance Evaluation of BOD & Individual Directors**

The Company was not required to carry formal annual evaluation by the Board of its own performance and that of its committees and individual directors for the financial period ended 2020 as the company did not fall under the criteria specified in Section 134 (3) (p) of the Companies Act, 2013 and Rule 8(4) of the Companies (Accounts) Rules, 2014 on 31.03.2020. Although, the directors of the Company are vigilant towards their duties and responsibilities as director of the Company.

27. **Public Deposits**

The Company has not accepted any deposit from the public during the year under review as covered the provisions of Section 73 of the Companies Act, 2013 read with the Companies (Acceptance of Deposits) Rules, 2014. Further, no amount on account of principal or interest on deposit was outstanding as at the end of the year under report.

28. **Shares**

- a. The Company has not bought back any of its securities during the year under review
- b. The Company has not issued any Sweat Equity Shares during the year under review.
- c. The Company During the period under review no changes have taken place in the share capital of the Company
- d. The Company has not provided any Stock Option Scheme to the employees.

29. **Transfer of Unclaimed Dividend to Investor Education and Protection Fund**

As the company have not recommended and provided any dividend till now.

30. **Details of significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future**

No such order has been passed by any Regulators or Courts or Tribunals.

31. **Management Discussion And Analysis Report**

The Management Discussion and Analysis report has been separately furnished in the Annual Report and forms a part of the Annual Report and is attached as Annexure-VI.

32. **Corporate Governance**

The Company being listed on the SME Platform of National Stock Exchange of India Limited is exempted from provisions of Corporate Governance as per Regulation 15 of the SEBI (LODR) Regulations, 2015. Hence, no corporate governance is required to be disclosed with Annual Report. It is pertinent to mention that the Company follows majority of the provisions of the corporate governance voluntarily as a part of Good Corporate Governance.

33. **Disclosure of Audit Committee**

As per the provisions of Section 177 of the Companies Act, 2013 read with Rule 6 and 7 of the Companies (Meetings of the Board and its Powers) Rules, 2013 the Company has constituted the Audit Committee comprising of the following:

Name of Director	Category	Designation in Committee
Mr. Surender Sharma (DIN: 08074623)	Non- Executive Independent Director	Chairperson
Mr. Shiv Kumar (DIN: 08139268)	Non- Executive Independent Director	Member
Mrs. Mithlesh Sharma (DIN: 06810394)	Director	Member

The meeting has been held on 10.05.2019, 01.07.2019, 14.11.2019 & 27.01.2020 in the financial year ended 31<sup>st</sup> March, 2020.

34. **Disclosure of Nomination and Remuneration Committee**

In compliance of the provisions of Section 178 of the Companies Act, 2013 read with Rule 6 of the Companies (Meeting of Board and its Powers) Rules, 2013 the Company has constituted the Nomination and Remuneration Committee comprising of the following:

Name of Director	Category	Designation in Committee
Mr. Surender Sharma (DIN: 08074623)	Non- Executive Independent Director	Chairperson
Mr. Shiv Kumar (DIN: 08139268)	Non- Executive Independent Director	Member
Mrs. Mithlesh Sharma (DIN: 06810394)	Director	Member

The meeting has been held on 30.05.2019, 15.07.2019, 14.11.2019 & 20.03.2020 in the financial year ended 31st March, 2020.

35. **Disclosure of Stakeholder Committee**

In compliance of the provisions of Section 178 of the Companies Act, 2013 and Regulation 20 of the LODR.

The Company has constituted the Stakeholder Committee comprising of the following:

Name of Director	Category	Designation in Committee
Mr. Surender Sharma (DIN: 08074623)	Non- Executive Independent Director	Chairperson
Mr. Het Ram Sharma (DIN: 02925990)	Executive Director	Member
Mrs. Mithlesh Sharma (DIN: 06810394)	Director	Member

The meeting has been held on 16.05.2019, 15.07.2019, 16.10.2019 & 15.01.2020 in the financial year ended 31st March, 2020.

***Shareholders Complaint during the Year***

Number of compliant received during the period: NIL

Number of compliant resolved during the period: NIL

Number of compliant remaining unresolved at the end of the year: NIL

The Scores website of SEBI redressing grievances of the investors is being visited at regular intervals by the company and there are no pending compliant registered with SCORES as on March 31<sup>st</sup> 2020.

36. **Risk Management**

The Board of Directors has adopted a risk management policy to develop and implement risk management procedure / plan including their in elements of risks, if any which in the opinion of the Board may threaten the existence of the Company.

37. **Declaration by Independent Directors**

The independent directors have individually declared to the Board that they meet the criteria of independence as provided in Section 149(6) of the Companies Act, 2013 at the time of their respective

appointment and there is no change in the circumstances as on the date of this report which may affect their status as an independent director.

38. **Corporate Social Responsibility Committee**

As per the provisions of Section 135 of the Companies Act, 2013, constitution of Corporate Social Responsibility (CSR) Committee and matters relating to it is not applicable to Company. Hence there is no information regarding it.

39. **Business responsibility Report**

The Business Responsibility Reporting as required by Regulation 34(2) of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, is not applicable to your company for the financial period ended March, 2020.

40. **Insider Trading Regulation**

Based on the requirements under SEBI (Prohibition of Insider Trading) Regulations, 1992 read with SEBI (Prohibition of Insider Trading) Regulations, 2015, as amended from time to time, the code of conduct for prevention of insider trading and the Code for Corporate Disclosures (“Code”), as approved by the Board from time to time, are in force by the Company.

41. **Compliance with Secretarial Standards**

The Board of Directors affirms that the Company has complied with the applicable Secretarial Standards issued by the Institute of Companies Secretaries of India (SS1 and SS2) respectively relating to Meetings of the Board and its Committees which have mandatory application.

42. **Acknowledgements**

Your Directors acknowledges gratefully the shareholders for their continued support and confidence. Your Directors also wish to record their appreciation for the loyal and devoted services rendered by the staff of the Company during the year.

**Date: August 07, 2020**

**Place: Faridabad**

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**For and on behalf of Board of Director**

**Het Ram Sharma**

**Chairman and Managing Director**

**DIN: 02925990**

**DISCLOSURE OF MATERIAL IMPACT OF COVID-19 PANDEMIC**

Pursuant to SEBI/HO/CFD/CMD1/CIR/P/2020/84 dated May 20, 2020 please find enclosed herewith disclosures on impact of Covid-19 pandemic are as follows:

Sr. No.	Particulars	Disclosures
1.	<b>Impact of Covid-19 Pandemic on the business</b>	<p>Company's offices/units/factories have been closed temporarily from 25<sup>th</sup> March, 2020 after the Lockdown imposed by the Central Government across the country and during unlocking period Company re-opened its offices/units/factories on 4<sup>th</sup> May, 2020 according to the guidelines issued by the States/Central Government time to time.</p> <p>Covid-19 has a huge impact on the economy and it had negatively affected on the growth of every sector. Please note that due to lockdown there was complete shutdown everywhere and also at our plant location, due to which the production was stopped completely for 2 months. After getting permission from the Government for reopening the locations, it took many days to streamline the production work due to many challenges faced by the industries like labour shortage, material non availability etc. Due to which the Company was not able to generate the revenues.</p>
2.	<b>Ability to maintain operations including the factories /units/office spaces (functioning and closed down)</b>	<p>Currently; Company has re-opened its offices/units/factories and re-started its working by adhering to all the guidelines issued time to time by the respective States and Central Government.</p>
3.	<b>Schedule, if any, for restarting the operations</b>	<p>Currently, all the Company's offices units/factories have been restarted by adhering to the guidelines of the respective state and Central Government and we are adhering to all the Health safety norms and prescribed standards by MHA and guidelines issued time to time.</p>
4.	<b>Steps taken to ensure smooth functioning of operations</b>	<p>The Company has taken all necessary steps to adhere functioning of operations to the guidelines for social distancing provided by Ministry of Home affairs along with the various directives issued by relevant state government authorities and has put in place safety measures which inter-alia includes:</p> <ul style="list-style-type: none"> <li>• Body temperature testing of all employees and visitors;</li> <li>• Sanitization of premises and vehicles on regular basis;</li> <li>• Maintenance of social distancing at all work place;</li> <li>• Ensuring No mask No Entry Policy;</li> <li>• Educate employees to wash their hand regularly;</li> <li>• Avoiding gathering or meetings at work places;</li> <li>• Ensure installation of AarogyaSetu App and regularly checking the status of said application in the mobile of employees and visitors;</li> </ul>

		<ul style="list-style-type: none"> <li>Restriction to enter at office employees having symptoms of fever, cold or cough;</li> </ul>
5.	<b>Estimation of the future impact of Covid-19 on its operation</b>	<p>The Company is closely monitoring the emerging situation arising out of COVID-19 and disruption is beyond the control of the Company. It is possible neither to foresee the duration for which the pandemic will last, nor predict its course.</p> <p>Nevertheless, Company making its best effort to deal with it and to take the company' Business on track.</p>
6.	<b>Details of impact of Covid-19 on listed entity's :</b>	
	<b>Capital and Financial resources</b>	Our Company had adequate capital for business but due to pandemic it is stuck and working capital cycle is getting stretched day by day.
	<b>Profitability</b>	<p>Due to lockdown there was complete shutdown at our plant location, due to which the production was stopped completely for 2 months. After getting permission from the Government for reopening the locations, it took many days to streamline the production work due to many challenges faced by the industries like labor shortage, material non availability etc. Due to which the Company was not able to generate the revenues.</p> <p>Loss of production &amp; sales due to lock down has adversely impacted us during lockdown and has consequential impact on the profitability of the Company; However the ease of restriction the scenario is expected to improve progressively.</p>
	<b>Liquidity Position</b>	Our company is facing steep liquidity crunches due to pandemic Covid 19. Due to lock down and subsequent restrictions on movement, the entire metal industry is facing a financial distress. The Government of India has taken several financial measures to boost up the economy; however, it may take a reasonable time to improve the economic environment and liquidity issues among the SMEs. Banks and Financial Institutions are quite conservative in resolving our liquidity issues resulting in short term cash crunches in our Company.
	<b>Ability to service debt and others financial arrangements</b>	Our Company has the ability to service its financial obligation on time. But due to production stoppage and non generation of revenues there are problems in paying off the Interests and EMI's. Although our Company has requested the bankers to waive off our EMI & Interest Amount for few months.
	<b>Assets</b>	No impact of lock down on any assets of the Company
	<b>Internal Financial reporting and control</b>	Company is having additional focus on the Financial reporting and control system to tackle the situation arises due to pandemic.
	<b>Supply Chain</b>	Due to COVID-19 supply chain got disturbed after lockdown imposed. However after easing of lockdown situation, the supply chain is getting improved.

	<b>Demand for its products/Services</b>	Due to lockdown, Demand has been impacted, however upon easing of lockdown situation; we are seeing demand recovery from the market and clients.
7.	<b>Existing contracts/arrangements where non fulfillment of the obligation by any party will have significant impact on the listed entity's business</b>	We don't expect any significant impact on contracts/ arrangement.
8.	<b>Others relevant material updates about listed entity's business</b>	The main and the foremost challenge faced by the Company were to streamlining the production activities as there were many challenges faced by the Businesses. Labor shortage was the main issue.



**Form AOC-1**

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures

**Part “A”: Subsidiaries**

(Information in respect of each subsidiary to be presented with amounts in Rupees in million)

1. Sl. No.	1
2. Name of the subsidiary :	NA
3. Reporting period for the subsidiary concerned, if different from the holding company's reporting period :	N.A.
4. Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries.	0
5. Share capital :	0
6. Reserves & surplus:	0
7. Total assets :	0
8. Total Liabilities :	0
9. Investments :	Nil
10. Turnover :	Nil
11. Profit / (Loss) before taxation :	0
12. Provision for taxation:	Nil
13. Profit / (Loss) after taxation:	0
14. Proposed Dividend:	Nil
15. % of shareholding	0

Names of subsidiaries which are yet to commence operations – Not Applicable

Name of subsidiaries which have been liquidated or sold during the year – Not Applicable

**Part “B”: Associates and Joint Ventures**

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures: Not applicable

**FORM NO. AOC-2**

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

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

- Details of contracts or arrangements or transactions not at arm's length basis **Not Applicable.**
- **Details of material contracts or arrangement or transactions at arm's length basis for the year ended March 31, 2020 are as follows:-**

Name of related Parties	Nature of relationship	Nature of Contract/ Arrangement / Transaction	Duration of Contract	Salient terms of contracts or arrangements or transactions including the Values, if any	Date of approval by the Board	Amount paid in advance (if any)
HET RAM	Director	Director Remuneration	1 Year	4800000.00	29.05.2019	Nil
MITHLESH SHARMA	Director	Director Remuneration	1 Year	1200000.00	29.05.2019	Nil
MITHLESH SHARMA	Director	Rent	1 Year	1800000.00	29.05.2019	Nil
NANDINI SHARMA	Daughter of Director	Interest on Loan	1 Year	1160000.00	29.05.2019	Nil
RAJ BALA	Mother of Mr. Het Ram	Rent	1 Year	1800000.00	29.05.2019	NIL

**Date: August 07, 2020**

**Place: Faridabad**

**For and on behalf of Board of Director**

**-sd-**

**Het Ram Sharma**

**Chairman and Managing Director**

**DIN: 02925990**

**Disclosure: Details of Remuneration related to Directors**

[Section 197(12), read with Rule 5 of Companies (Appointment and Remuneration of Managerial Personnel), Rules, 2014]

**(I) Details of Ratio of Remuneration of Director**

The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the financial year 2019-20, ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2019-20 and the comparison of remuneration of each Key Managerial Personnel (KMP) against the performance of the Company are as under:

S. No	Name of Director/KMP and designation	Remuneration to the Director/KMP for the FY2019-20(Rs.)	Percentage Increase /Decrease in remuneration in FY 2019-20
1	HET RAM	4800000.00	-
2	MITHLESH SHARMA	1200000.00	-
3	MANOJ KUMAR JANGIR	780000.00	-
4	RAHUL KUMAR BANSAL	75,570	-
5	KANCHAN KAUSHIK	86,659	-
6	PRIYA BAREJA	1,040	-

- (I) The median remuneration of employees of the Company during the financial year was Rs. 2,46,000
- (II) In the financial year, there was an increase of Rs. 96,000 in the median remuneration of employees;
- (III) There were 10 permanent employees on the rolls of Company as on 31st March, 2020;
- (IV) There were approx. 70 person as our Contractual Labour as per the requirement during the year hired through TECLA Enterprises. The services of TECLA Enterprises is taken on a yearly contract basis.
- (V) Average percentage increase in the salaries of employees other than Executive Directors in the last financial year i.e. FY 2019-20 was 72.00% as compared to FY 2018-19.
- (VI) It is hereby affirmed that the remuneration paid is as per the Remuneration Policy for Directors, Key Managerial Personnel and other Employees.

It is hereby affirmed that the remuneration paid is as per the Remuneration Policy for Directors, Key Managerial Personnel and other Employees **Details of employee remuneration as required under provisions of Section 197 of the Companies Act, 2013 and Rule 5(2) & 5(3) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is provided in a separate statement and forms part of the Annual Report.**

**Details of Top 10 employees as on 31<sup>st</sup> march, 2020 in terms of remuneration drawn as required under section 197(12) read with Rule 5(2) of companies (Appointment and remuneration of managerial personnel)Rule , 2014**

S. no	Name of Employee	Designation	Remuneration	Nature of employment	Educational Qualification	Experience	Date of Joining	Age of Employee	Previous employment	Equity shares held	Relation with Director
1	MA NOJ KUMAR JAN GIR	CFO(KMP)	8,40,000.00	PAY ROLL	GRADUATE	15 YEAR	18.03.2010	38	S.K. ENTERPRISES	80,100	NO
2	PRIYA BAR EJA	COMPANY SECAR ETARY	384000.00	PAY ROLL	B.COM, PGDBA	2.25 YEAR	31.03.2020	31	ACB GROUP	-	NO
3	RAJ END ER KUMAR	ELECTRICIAN	3,60,300	PAYROLL	I.T.I	18 Year	11.10.2019	38	ORION ENTERPRISES PRIVATE LIMITE D	-	NO
4	SOM ENA TH BAN ARJ EE	ACCOU NTS EXECU TIVE	2,88,000	PAY ROLL	B.COM	16 YEAR	22.11.2018	50	SMS HYDRO TECH	-	NO
5	REK HA DEV I	OFFICE ASSIST ANT	2,46,000	PAY ROLL	12 TH	5 YEAR	01.03.2018	30	PREVIO US NOT JOB	-	NO
6	LAX MIK ANT JAN GIR	LAB TECHN ICIAN	2,64,000	PAY ROLL	B.S.E, M.S.E	6.5 YEAR	11.11.2019	32	TDT COPPER	-	NO
7	DEE PAK JAN GIR	ACCOU NTS EXECU TIVE	2,32,440	PAY ROLL	GRADUATE	2 YEAR	18.11.2019	23	IN PRACTI CE	-	NO
8	RAJ ESH WA	SECUR ITY SUPER	2,32,440	PAY ROLL	MATRIC	16 YEAR	05.11.2019	55	DENVE R SECURII	-	NO

	R DAY AL	VISOR							TY SERVIC ES PVT. LTD.		
9	SHI V CHA RAN	STORE EXECU TIVE	2,22,000	PAY ROLL	Graduatio n, I.T.I	5 YEAR	23.10.2019	25	ULTIMA TE FITNES S TEMPLE (lp)	-	NO
10	JITE NDE R SIN GH	SECUR ITY GUAR D	1,62,000	PAY ROLL	12 <sup>TH</sup>	5 YEAR	26.06.2015	41	SHREE BHIKSH U COMPO NENTS	-	NO



## SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31<sup>st</sup> MARCH, 2020  
{Pursuant to Section 204(1) of the Companies Act, 2013 and rule 9 of the Companies  
(Appointment and Remuneration of Managerial Personnel) Rules, 2014}

To,

The Members,

### **RAJNANDINI METAL LIMITED**

I have conducted the Secretarial Audit of the Compliance of applicable statutory provisions and the adherence to good corporate practices by **RAJNANDINI METAL LIMITED** (hereinafter called Rajnandini / 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 Rajnandini 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 period ended on 31<sup>st</sup> March, 2020 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 **RAJNANDINI METAL LIMITED** ("the Company") for the financial year ended on 31<sup>st</sup> March, 2020 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; **N.A**
- (v) 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) Regulation, 2011;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

- (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
  - (d) Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018;
  - (e) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; **N.A**
  - (f) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **N.A.**
  - (g) 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;
  - (h) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; **N.A.** and
  - (i) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; **N.A.**
- (vi) Compliances/ processes/ systems under other applicable Laws to the Company are being verified on the basis of periodic certificate submitted to the Board of Directors of the Company.

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

- (a) Secretarial Standards issued by The Institute of Company Secretaries of India with respect to board and general meetings.
- (b) The Listing Agreements entered into by the Company with National Stock Exchange of India Limited read with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

**Observations:**

**I 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 have not taken place during the period under review.

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

Majority decision is carried through were captured and recorded as part of the minutes of the meeting.

**I further report that** the Company has made the following non compliances / delayed compliances during the period of audit:

1. Delayed compliance of Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 regarding submission of Annual Reports with the Stock Exchange;
2. Company has delayed in filing of certain E-forms with the RoC. However, no penalty has been imposed by any regulator / authority regarding the same.

**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 and Company is in process of reviewing & strengthening the same.

For **Abhishek J & Co.**  
**Company Secretaries**

Place: Noida  
Date: August 07, 2020

**UDIN: A028201B000559875**

Sd/-  
CS Abhishek Jain  
ACS No. 28201  
C.P No. 16592

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

**“Annexure A”**

To,  
The Members,  
**RAJNANDINI METAL LIMITED**

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

1. Maintenance of secretarial records, registers is the responsibility of the management of the Company. Our Responsibility is to express an opinion on these secretarial records based on our audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulation and happening of events etc.
5. The Compliance of the provisions of corporate and other applicable laws, rules, regulations, standards are the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit Report is neither an assurance as to future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For **Abhishek J & Co.**  
**Company Secretaries**

Place: Noida  
Date: August 07, 2020

Sd/-  
CS Abhishek Jain  
ACS No. : 28201  
C.P No. : 16592

**UDIN: A028201B000559875**

## Form No. MGT-9

## EXTRACT OF ANNUAL RETURN

As on the financial year ended on 31<sup>st</sup> March 2020

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

## I. REGISTRATION AND OTHER DETAILS:

i)	CIN:	L51109HR2010PLC040255		
ii)	Registration Date [DDMMYY]	18 <sup>th</sup> March, 2010		
iii)	Name of the Company	RAJNANDINI METAL LIMITED (Formerly known as Rajnandini Metal Private Limited)		
iv)	Category of the Company [Pl. tick]	1. Public Company <input checked="" type="checkbox"/>		
		2. Private Company		
	Sub Category of the Company [ Please tick whichever are applicable]	1. Government Company		
		2. Small Company		
		3. One Person Company		
		4. Subsidiary of Foreign Company		
		5. NBFC		
		6. Guarantee Company		
		7. Limited by shares		<input checked="" type="checkbox"/>
		8. Unlimited Company		
		9. Company having share capital		<input checked="" type="checkbox"/>
10. Company not having share capital				
11. Company Registered under Section 8				
v)	Address of the Registered office and contract details	3E/17, B.P., NIT, Faridabad -121001 Contact Details: 0129-4074043		
vi)	Whether shares listed on recognized Stock Exchange(s)	YES		
vii)	Name, Address and contact details of Registrar & Transfer Agents (RTA ) if any :	BIGSHARE SERVICES PRIVATE LIMITED Address: 1 <sup>st</sup> Floor, Bharat Tin Works Building,		

	Opp. Vasanat Oasis Makwana Road, Marol, Andheri East, Mumbai Tel: 022- 62638200, 62638204 Fax: 022-62638299 Email Id: <a href="mailto:babu@bigshareonline.com">babu@bigshareonline.com</a>
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II. **PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY**(All the business activities contributing 10 % or more of the total turnover of the company shall be stated)

SN	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1	Wholesale of metals and metal ores	4662	100

III. **PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES** [No. of Companies for which information is being filled-1]

Sl. NO	NAME AND ADDRESS OF THE COMPANY	CIN/GLN	HOLDING/ SUBSIDIARY / ASSOCIATE	% of shares held	Applicable Section
1	NIL				

III. **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[As on 01 <sup>st</sup> April 2019]				No. of Shares held at the end of the year[As on 31-March-2020]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoters</b>									
(1) <b>Indian</b>									
a) Individual*									
Equity	44,99,800	-	44,99,800	73.23	44,99,800	-	44,99,800	73.23	
FCPS	-	-	-	-	-	-	-	-	-
b) Central	-	-	-	-	-	-	-	-	-

Govt									
c) State Govt(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	-	-	-	-	-	-	-	-	-
Equity	-	-	-	-	-	-	-	-	-
FCPS	-	-	-	-	-	-	-	-	-
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any other	-	-	-	-	-	-	-	-	-
<b>Sub Total (A) (1)</b>	44,99,800	-	44,99,800	73.23	44,99,800	-	44,99,800	73.23	-
<b>(2) Foreign</b>									
a)NRIs-Individuals	-	-	-	-	-	-	-	-	-
b)Other-Individuals	-	-	-	-	-	-	-	-	-
c)Bodies Corp.	-	-	-	-	-	-	-	-	-
d) Banks/FI	-	-	-	-	-	-	-	-	-
E) Any other	-	-	-	-	-	-	-	-	-
<b>Sub-Total (A) (2)</b>	-	-	-	-	-	-	-	-	-
<b>Total shareholding of Promoter (A)= (A)(1) + (A)(2)</b>	44,99,800	-	44,99,800	73.23	44,99,800	-	44,99,800	73.23	-
<b>B. Public Shareholding</b>									
1. Institutions	-	-	-	-	-	-	-	-	-
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks / FI	-	-	-	-	-	-	-	-	-

c) Central Govt	-	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-	-
g) FIIs	-	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-	-
<b>Sub-total (B)(1):-</b>	-	-	-	-	-	-	-	-	-	-
<b>2. Non-Institutions</b>	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares		
a) Bodies Corp.										
i) Indian	92,345	-	92,345	1.50	24,000	-	24,000	0.39		(0.74)
ii) Overseas	-	-	-	-	-	-	-	-		
b) Individuals	-	-	-	-	-	-	-	-		
i) Individual shareholders holding nominal share capital upto Rs. 2 lakh	2,79,755	-	2,79,755	4.56	1,99,755	-	1,99,755	3.25		(0.28)
ii) Individual shareholders holding nominal share capital in excess of `2 lakh	12,40,100	-	12,40,100	20.18	11,32,100	-	11,32,100	18.42		(0.08)

c) Others (specify)	32,000	-	32,000	0.52	2,88,345	-	2,88,345	4.70	8.01
<b>Sub-total (B)(2):-</b>	16,44,200	-	16,44,200	26.76	16,44,200	-	16,44,200	26.76	-
<b>Total Public Shareholding (B)=(B)(1)+(B)(2)</b>	16,44,200	-	16,44,200	26.76	16,44,200	-	16,44,200	26.76	-
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>	-	-	-	-	-	-	-	-	-
<b>Grand Total (A+B+C)</b>	<b>61,44,000</b>	<b>-</b>	<b>61,44,000</b>	<b>100.00</b>	<b>61,44,000</b>	<b>-</b>	<b>61,44,000</b>	<b>100.00</b>	<b>-</b>

**(ii) Shareholding of Promoter and Promoter Group:**

S.N	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share holding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
<b>PROMOTER</b>								
1	Mr. Het Ram	24,97,440	40.65	0	24,97,440	40.65	0	0.00
2	Mrs. Mithlesh Sharma	20,02,060	32.58	0	20,02,060	32.58	0	0.00
	<b>Total (a)</b>	44,99,500	73.23	0	44,99,500	73.23	0	0.00
<b>PROMOTER GROUP</b>								
1	Mrs. Raj Bala	100	0.00	0	100	0.00	0	0.00
2	Ms. Nandini Sharma	100	0.00	0	100	0.00	0	0.00
3	Mr. Atma Ram Sharma	100	0.00	0	100	0.00	0	0.00
	<b>Total (b)</b>	300	0.01	0	300	0.01	0	0.00

	<b>Total (a+b)</b>	<b>44,99,800</b>	<b>100.00</b>	<b>0</b>	<b>44,99,800</b>	<b>73.23</b>	<b>0</b>	<b>0.00</b>
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(iii) **Change in Promoters' Shareholding (please specify, if there is no change)**

S. No.	Name of Promoter	Shareholding at the beginning of the year		Cumulative Shareholding during the Year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	Mr. Het Ram				
	At the beginning of the year	24,97,440	40.65	24,97,440	40.65
	Increase/Decrease in Promoters shareholding	NIL	NIL	NIL	NIL
	At the end of the year	24,97,440	40.65	24,97,440	40.65
2.	Mrs. Mithlesh Sharma				
	At the beginning of the year	20,02,060	32.59	20,02,060	32.59
	Increase/Decrease in Promoters shareholding	NIL	NIL	NIL	NIL
	At the end of the year	20,02,060	32.59	20,02,060	32.59

) **Shareholding Pattern of top ten Shareholders:  
(other than Directors, Promoters and Holders of GDRs and ADRs as on March 31<sup>st</sup>, 2020)**

S. No.	Name	Shareholding at the beginning of the year		Shareholding at the end of the year		Net Changes During the year
		No. of	% of total	No. of shares	% of total	

		shares	shares of the company		shares of the company	
1	Neeru Kalra	2,56,000	4.17	2,96,000	4.81	40000
2	Praveen Kalra HUF	1,68,000	2.73	2,84,000	4.62	1,16,000
3	Mohan Lal Choudhary	1,56,000	2.54	1,52,000	2.47	(4000)
4	Shubham Bhardwaj	1,48,000	2.41	1,48,000	2.41	0
5	Vinod Kumar	1,32,000	2.15	1,32,000	2.15	0
6	Kuldeep Chawla	16,000	0.26	1,12,000	1.82	1.56
7	Anita Nanda	96,000	1.56	96,000	1.56	0
8	Manoj Kumar Jangir	80,100	1.30	80,100	1.30	0
9	Sangeeta Choudhary	1,12,000	1.82	52,000	0.84	60,000
10	Akshit Nanda	36,000	0.58	36,000	0.58	0
	<b>Total</b>	<b>12,00,100</b>	<b>19.53</b>	<b>13,88,100</b>	<b>22.59</b>	<b>3.06</b>

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

S. No.	Name	Shareholding		As on Date	Increase/ Decrease in Shareholding	Reason	Cumulative Shareholding during the year (01.04.2019 to 31.03.2020)	
		No. of shares at the beginning / end of the year	% of Total shares of Company				No. of Shares	% of Total shares of Company
1.	Het Ram Sharma	24,97,440	40.65	24,97,440	NIL	NA	24,97,440	40.65
2.	Mithlesh Sharma	20,02,060	32.58	20,02,060	NIL	NA	20,02,060	32.58
3.	Shiv Kumar	NIL	NA	NIL	NIL	NA	NIL	NA
4.	Surender Sharma	NIL	NA	NIL	NIL	NA	NIL	NA
5.	Manoj Kumar Jangir	80,100	1.30	80,100	NIL	NA	80,100	1.30
6.	Rahul Kumar Bansal	NIL	NA	NIL	NIL	NA	NIL	NA
7.	Kanchan Kaushik	NIL	NA	NIL	NIL	NA	NIL	NA
8.	Priya Bareja	NIL	NA	NIL	NIL	NA	NIL	NA

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

(In Rs. 000')

	Secured Loans excluding deposits	Unsecured Loans (Rs)	Deposits	Total Indebtedness (Rs)
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	2,35,695.00	-	-	2,35,695.00
ii) Interest due but not paid		-	-	
iii) Interest accrued but not due		-	-	
<b>Total (i+ii+iii)</b>	2,35,695.00	Nil	Nil	2,35,695.00
<b>Change in Indebtedness during the financial year</b>				
* Addition	34,843	7,237		42,080
* Reduction		-	-	
<b>Net Change</b>	34,483	7,237	Nil	42,080
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	2,70,538	7,237	-	2,77,775
ii) Interest due but not paid				
iii) Interest accrued but not due				
<b>Total (i+ii+iii)</b>	2,70,538	7,237	Nil	2,70,538

**VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL-**

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

SN.	Particulars of Remuneration	Name of MD/WTD/ Manage	Total Amount
		Mr. Het Ram      Mrs. Mithlesh Sharma (Managing Director)      (Director)	
1	Gross salary		
	(a) Salary as per provisions contained in section		

	17(1) of the Income-tax Act, 1961	48,00,000	12,00,000	60,00,000
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961			
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961			
2	Stock Option			
3	Sweat Equity			
4	Commission - as % of profit - others, specify...			
5	Others, please specify			
	Total	48,00,000	12,00,000	60,00,000

**B. Remuneration to other directors**

SN.	Particulars of Remuneration	Name of Directors		Total Amount
1	Independent Directors	Mr. Surender Sharma	Mr. Shiv Kumar	
	Fee for attending board and committee meetings	NIL	NIL	
	Commission	NIL	NIL	
	Others, please specify	NIL	NIL	
	Total (1)	NIL	NIL	
2	Other Non-Executive Directors	NIL	NIL	
	Fee for attending board committee meetings	NIL	NIL	
	Commission	NIL	NIL	
	Others, please specify	NIL	NIL	
	Total (2)	NIL	NIL	
	Total (B)=(1+2)	NIL	NIL	NIL

	Total Managerial Remuneration	NIL	NIL	NIL
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**C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD**

S. No.	Particulars of Remuneration	Key Managerial Personnel				
		(C)				
		Rahul Bansal (CS)	Kanchan Kaushik (CS)	Priya Bareja (CS)	Manoj Kumar Jangir (CFO)	Total
1	Gross salary					
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	75,570	86,659	1,040	7,80,000	9,42,229
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961		-		-	-
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-			-	-
2	Stock Option	-			-	-
3	Sweat Equity	-			-	-
4	Commission	-	-		-	-
	- as % of profit	-	-		-	-
	others, specify...	-	-		-	-
5	Others, please specify	-	-		-	-
	<b>Total</b>	<b>75,570</b>	<b>86,659</b>	<b>1040</b>	<b>7,80,000</b>	<b>9,42,229</b>

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

There were no penalties, punishment or compounding of offences during the year ended March 31, 2020.

**REPORT ON MANAGEMENT DISCUSSION AND ANALYSIS**

**I. INDUSTRY STRUCTURE AND DEVELOPMENTS**

Global manufacturing supply chains have been hit on multiple fronts, with production across the globe severely impacted by full shut-downs coupled with disrupted distribution channels from border closures, loss of air cargo capacity, and even driver shortages. Global business support measures have been put in place by various jurisdictions in response to the sharp downturn resulting from the COVID-19 crisis. Understanding the key issues global manufacturers are facing, as well as designing and implementing a strategic action plan can help prepare you to survive and ultimately outperform competitors. Under the Make in India initiative, Government aims to increase the share of the manufacturing sector to country's GDP to 25 per cent by 2025.

The COVID-19 outbreak could cause global FDI to shrink by 5%-15%, due to the downfall in manufacturing sector coupled with factory shutdown. Global manufacturing output growth has been decelerating since 2018, and this trend continued in the third quarter of 2019. Manufacturing output growth fell to 1.2 per cent in the third quarter following a 1.5 per cent and 2.2 per cent growth rate in the second and first quarters of 2019, respectively. Global manufacturing output will fall by 7.6% in 2020.

**Copper Industry Growth:** India's per capita copper consumption is expected to increase from the present level of 0.5 kg to 1 kg by 2025. While infrastructure will spur demand growth of refined copper in the country, other key drivers would include thrust on increasing urbanisation, development of industrial corridors, smart city projects, housing for all Indians by 2020, National highway development projects, Rail projects and defence production policy to encourage indigenous manufacture.

In addition to this the evolving market will have substantial impact on copper demand. The market for electric vehicles is expected to witness growth in coming years as government incentives will continue all over the world. It is projected that demand of copper due to electric vehicles is expected to increase by 1700 kilotons by 2027. Another driver would be India's energy plan 2022-100GW solar, 32GW wind, 260GW thermal & nuclear, 62GW hydro and plan for green energy corridor for transmission of renewable energy.

**II. STRENGTH, WEAKNESS, OPPORTUNITIES AND THREATS**

**Strengths:** Our management and employee team combines expertise and experience to outline plans for the future development of the company. Mr. Het Ram Sharma, our Promoter and Managing Director has significant industry experience and has been instrumental in the consistent growth of our company. He is supported by an experienced team of professionals. We believe that the knowledge and experience of our promoter and management enables us to identify new opportunities, rapidly respond to market conditions, adapt to changes in the business landscape and competitive environment and enhances the growth in the business. Due to Global Pandemic caused by COVID-19, Company has faced complete shut down in the lockdown period. The whole production was stopped and the losses were increasing. But after the reopen of our plant in Bawal, Management has been working very hard to bring the things on track and now the production is back on track and continuously going on. This shows the hard work of the management and the whole team. To conclude our team is the strength of the Company working day and night an achieving the milestones.

**Weaknesses:** Our Company has had long standing business relationships with various customers. However, we have not entered into any specific contracts with these customers and we cater to them on an order basis.

As a result, our customers can terminate their relationships with us without any notice and we may also fail to get new customers, which could materially and adversely impact our business which consequently impact our revenue because of fluctuations in demand for our products. Our Company's customers have no obligation to place order with us and may either cancel, reduce or delay orders. The orders placed by our Company's customers are dependent on factors such as the customer satisfaction with the level of consistency in quality, price and delivery of the products that our Company supplies. Although we place a strong emphasis on quality, timely delivery of our products and availability of a variety range of our products, in the absence of long term contracts, any sudden change in the buying pattern of buyers could adversely affect the business and the profitability of our Company.

**Opportunities:**The Company also aims to aggressively expand its current trading desk of Secondary Finish Steel and Prime Steel Products like Billets, Coils, Sheets, etc. Our Company also started a new manufacturing unit spread in 2 acre of land in November 2019, situated at Plot no. 344, Sector – 3, Phase – II, IMT Bawal – 123501 solely dedicated for production of Copper products. From then the Company is rapidly growing in manufacturing of copper products. Copper is the most widely used conductor in many kinds of electrical wiring. Copper has the lowest resistance to the flow of electricity of all non-precious metals. Electrical wiring in buildings is the most important market for the copper industry. About half of all copper mined is used to make electrical wire and cable conductors.

**Threats:** Any adverse revisions to India's credit ratings for domestic and international debt by international rating agencies may adversely impact our ability to raise additional financing, and the interest rates and other commercial terms at which such additional financing may be available. This could have an adverse effect on our business and future financial performance, our ability to obtain financing for capital expenditures and the trading price of our Equity Shares.

Also the global pandemic faced by the whole economy was quite unexpected and the industry was not prepared for the unpredicted shutdowns. A situation like this if occurred again can be a threat to the whole economy including our industry.

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

#### **PRODUCT WISE REVENUE BREAKUP**

*Amount in Rs. Lakhs*

<b>Product</b>	<b>2019-20</b>	<b>%</b>	<b>2018-19</b>	<b>%</b>
Copper Products	137,58.43	92.70	9,140.48	66.83
Brass	334.59	2.25	369.88	2.70
Aluminium	225.45	1.52	130.25	0.95
Zinc	512.67	3.45	3958.06	28.94
Dust	0.25	00	0.40	00
Steel	0	0	36.15	0.26
Iron	0	0	0.05	0.00
Plastic	1.41	00	18.74	0.14
Lead Metal	8.93	0.06	22.81	0.17
<b>Total</b>	<b>14841.74</b>	<b>100.00</b>	<b>13,676.82</b>	<b>100.00</b>

#### **IV. OUTLOOK**

We intend to continue to provide high quality products to our clients and grow our business by leveraging our strengths and implementing the following strategies:

- **Enhance customer base by entering new geographies**

We intend to cater to the increasing demand of our existing customers and also to increase our existing customer base by enhancing the distribution reach of our products. Enhancing our presence in additional regions will enable us to reach out to a larger market. Further, our Company believes in maintaining long term relationships with our customers. We aim to achieve this by maintaining the high quality, timely delivery, competitive pricing and reliability of our products.

- **Leveraging our Market skills and Relationships**

This is a continuous process in our organization. We aim to enhance the growth by leveraging our relationships and further enhancing customer satisfaction. We plan to increase our customers by increasing the product & geographical base, maintaining our client relationship and renewing our relationship with existing buyers.

- **Focus on quality**

Our Company intends to focus on adhering to the quality of our offerings. This is necessary so as to make sure that we maintain the high quality standards for our offerings and get repeat orders from our customers. This will also aid us in enhancing our brand value and further increase the business.

#### **V. RISKS AND CONCERNS**

The Industry in which we operate is unorganized and fragmented with many small and medium-sized companies. Copper industry being a global industry, we face competition from various domestic and international players. We compete with other traders on the basis of service quality, price and reliability. We believe that the scale and scope of our operations allow us to meet our customers' requirements better than the smaller traders. Due to industry's fragmented nature, there is no authentic data available to our Company on total industry size and markets share of our Company vis-a-vis the competitors.

#### **VI. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY**

We had a proper and adequate system of internal control including internal financial control. We had an Audit Committee headed by a non-executive Independent Director, inter-alia to oversee your company's financial reporting process, disclosures and reviewing the performance of statutory and internal auditors with management. The internal control system including financial control of the company, is monitored by an independent internal audit team, which encompasses examination/ periodic reviews to ascertain adequacy of internal controls and compliance to Company's policies. Weaknesses noted along with agreed upon action plans are shared with audit committee, which ensures orderly and efficient conduct of the business and effectiveness of the system of internal control. The audit function also looks into related party transactions, preventive controls, investigations, as well as other areas requiring mandatory review per applicable laws. The powers of the Audit Committee, inter-alia, include seeking information from any employee, obtaining outside legal or other professional advice, and investigating any activity of the Company within the committee's term of reference.

Our internal audit department verifies the information of the financial statement as well as the compliance with your Company's policies to maintain accountability and ensuring controls are in place to safeguard of all its assets and correctness of accounting records. The internal audit department shares regular updates regarding the work done, coverage, weaknesses noted and other relevant issues with appropriate management levels including Audit Committee. Observations/ weaknesses noted from time to time are

suitably acted upon and followed up at different levels of management. The internal control is supplemented by an extensive program of audits and periodic review by the management.

**VII. DISCUSSION ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE**

**FINANCIAL ACHIEVEMENTS OF THE COMPANY**

*Amount in Rs. Lakhs*

Particulars	As on March 31 <sup>st</sup>			
	2020	2019	2018	2017
Share Capital	614.40	614.40	450.00	450.00
Reserves & Surplus	836.33	720.43	352.89	258.63
Net Worth	1,450.73	1,334.83	802.89	708.63
Total Income	14,885.18	13,687.24	14,115.52	12,730.96
PAT	115.91	104.51	94.26	55.21

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

Our team, committed to offer and supply quality Copper Rods, Wires etc. Aluminium Scrap, is managed by highly experienced professionals who possess sound experience of industry and undertake all assignments to carry out on time. Our employees are not members of any unions and we have not entered into any collective bargaining agreements with them. We have not experienced any work stoppages or action by or with our employees and we consider our relationship with our employees to be good.

## CEO/CFO CERTIFICATION

To,  
The Board of Directors  
Rajnandini Metal Limited  
3E/17, B.P., N.I.T, Faridabad-121001

Dear Sirs,

We have reviewed financial statements and the cash flow statement for the year ended 31st March 2020 and to the best of our knowledge and belief that:

- i. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
- ii. These statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations;
- iii. No transactions entered into by the Company during the above said period which are fraudulent, illegal or volatile of the company's code of conduct.

We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.

We have indicated to the auditors and Audit Committee that:

- iv. Significant changes in internal control over financial reporting during the year;
- v. Significant changes in accounting policies during the period and that the same have been disclosed in the notes to the financial statements; and
- vi. Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Sd/-  
**(Het Ram Sharma)**  
**Managing Director**  
**DIN: 02925990**

Sd/-  
**(Manoj Kumar Jangir)**  
**Chief Financial Officer**

**Place: Faridabad**  
**Date : August 07, 2020**

## INDEPENDENT AUDITORS' REPORT

To  
The Members of  
Rajnandini Metal Limited

### Report on the Audit of the Financial Statements

#### Opinion

We have audited the accompanying Ind AS financial statements of **Rajnandini Metal Limited** ('the Company') which comprise the Balance Sheet as at 31st March, 2020, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flows and the Statement of Changes in Equity for the year then ended, and Notes to financial statements including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, its profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

#### Basis for Opinion

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

#### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We draw attention to note no. 42 in the financial statements which describes the economic and social consequences the company is facing as a result of COVID-19 which is impacting supply chain customer demand and availability of employee/workers. Our opinion is not modified in respect of this matter.

## **Information Other than the Financial Statements and Auditor's Report Thereon**

The Company's Board of Directors is responsible for the preparation of the other information. The other, information comprises the information included in the Chairman's Statement, Management Report, , Board's Report including Annexures to Board's Report, , Corporate Governance and Shareholder's Information, but does not include the financial statements and our auditor's 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 during the course of our 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.

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

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. 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, the Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

## **Auditor's Responsibilities for the Audit of the Financial Statements**

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than the 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 system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

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

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, and on the basis of such checks of the books and records of the Company as we considered appropriate and according to information and explanations given to us, we give in "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, based on our audit we report that:

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid 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.
- c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Changes in Equity and Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- d) In our opinion, the aforesaid financial statements comply with the Indian Accounting Standards prescribed under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e) On the basis of the written representations received from the directors of the Company as on 31st March, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2020 from being appointed as a director in terms of Section 164(2) of the Act.
- 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, as amended, in our opinion and to the best of our information and according to the information and explanations given to us:
  - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements - Refer Note 30 to the financial statements.
  - ii. We are explained that the Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses.
  - iii. We are explained that there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

**For SANMARKS& ASSOCIATES**  
**Chartered Accountants**  
**Firm's Regn. No. 003343N**

Sd/-  
**NARESH KUMAR AGGARWAL**  
**Partner**  
**Membership No.: 087351**

**Place : Faridabad**  
**Date : 27.07.2020**  
**UDIN - 20087351AAAACK2693**

## ANNEXURE “A” TO THE INDEPENDENT AUDITOR’S REPORT

(Referred to in paragraph 1 under ‘Report on Other Legal and Regulatory Requirements’ section of our report to the Members of Rajnandini Metal Limited of even date)

We report that:

- i) In respect of the Company’s fixed assets:
  - a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
  - b) We are explained that the management has carried out the year end physical verification of majority of fixed assets. In our opinion, the frequency of physical verification is reasonable having regard to the size and nature of operations of the Company, According to the information and explanations given to us, no material discrepancies were noticed on such verification.
  - c) All immovable assets of the company and the title deeds of immovable properties are held in the name of the company.
- ii)
  - (a) As explained to us, physical verification of inventory (except material in transit and lying with third parties) has been conducted by the management at reasonable intervals. In our opinion, the frequency of verification is reasonable.
  - (b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
  - (c) In our opinion the Company is maintaining proper records of inventories. As far as we could ascertain and according to the information and explanations given to us, no material discrepancies were noticed on physical verification of the inventories as compared to book records.
- iii) As explained to us, the company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 189 of the Companies Act. Thus, paragraph 3(iii) of the Order is not applicable to the Company.
- iv) The Company has not accepted deposits during the year and does not have any unclaimed deposits as at March 31, 2020 and therefore, the provisions of the clause 3 (v) of the Order are not applicable to the Company.
- v) We are informed that the maintenance of cost records has not been specified by the Central Government under section 148(1) of the Companies Act, 2013 for the business activities carried out by the Company. Thus reporting under clause 3(vi) of the order is not applicable to the Company.
- vi) According to the information and explanations given to us, in respect of statutory dues:
  - a) The Company has been regular in depositing undisputed statutory dues, including Provident Fund, Employees’ State Insurance, Income Tax, Goods and Service Tax, Customs Duty, Cess and other material statutory dues applicable to it with the appropriate authorities and there were no arrears as at 31<sup>st</sup> March 2020 for a period of more than six months from the date they became payable.

- b) According to the information and explanations given to us and based on the records of the company examined by us, there are no dues of Income Tax and GST which have not been deposited on account of any disputes.
- vii) The company has not defaulted in repayment of dues to financial institutions and banks.
- viii) The Company has neither raised money by way of initial public offer or further public offer (including debt instruments) and term loans nor applied the previously raised loans, if any, during the year under report. Accordingly, provisions of clause 3 (ix) of the Order are not applicable to the Company.
- ix) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year.
- x) In our opinion and according to the information and explanations given to us, the Company has paid/provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
- xi) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable to the Company.
- xii) In our opinion and according to the information and explanations given to us, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- xiii) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year and hence reporting under clause 3 (xiv) of the Order is not applicable to the Company.
- xiv) In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its Directors or persons connected to its directors and accordingly para 3 (xv) of the Order is not applicable.
- xv) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

**For SANMARKS& ASSOCIATES**  
**Chartered Accountants**  
**Firm's Regn. No. 003343N**

**Sd/-**  
**NARESH KUMAR AGGARWAL**  
**Partner**  
**Membership No.: 087351**

**Place : Faridabad**  
**Date : 27.07.2020**  
**UDIN - 20087351AAAACK2693**

## **ANNEXURE “B” TO THE INDEPENDENT AUDITOR’S REPORT**

**(Referred to in paragraph 2(f) under ‘Report on Other Legal and Regulatory Requirements’ section of our report to the Members of Rajnandini Metal Limited of even date)**

### **Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Subsection 3 of Section 143 of the Companies Act, 2013 (“the Act”)**

We have audited the internal financial controls over financial reporting of **Rajnandini Metal Limited** (“the Company”) as of 31 March 2020 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

#### **Management’s Responsibility for Internal Financial Controls**

The Board of Directors of the Company is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (‘ICAI’). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to respective 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”) issued by ICAI and the Standards on Auditing, prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. 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 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:

- a) Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- b) 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;
- c) 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.

### **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, to the best of our information and according to the explanations given to us, 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, 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 SANMARKS& ASSOCIATES  
Chartered Accountants  
Firm's Regn. No. 003343N**

**Sd/-  
NARESH KUMAR AGGARWAL  
Partner  
Membership No.: 087351**

**Place : Faridabad  
Date : 27.07.2020  
UDIN - 20087351AAAACK2693**

**RAJNANDINI METAL LIMITED**  
**BALANCE SHEET AS AT 31st MARCH, 2020**

(Rs. in '000)

Particulars	Note No	As at March 31, 2020	As at March 31, 2019	As at March 31, 2018
<b>I ASSETS</b>				
<b>(1) Non-currentasset</b>				
(a) Property, Plant and Equipment	5	169,221	65,886	5,747
(b) Capital Work in progress		45,847	9,452	-
(c) Intangible Assets		9	13	2
(d) Deferred Tax Assets (Net)	6		29	421
(e) Other non-currentassets	7	3,953	968	-
<b>Total non-current assets</b>		<b>219,030</b>	<b>76,348</b>	<b>6,170</b>
<b>(2) CurrentAsset</b>				
(a) Inventories	8	171,372	75,476	51,788
(b) Financial Assets :				
(i) Trade Receivable	9	184,601	201,917	247,998
(ii) Cash and cash equivalents	10	1,321	1,906	1,301
(iii) Other bank balances	11	4,995	12,500	12,500
(iv) Loans & Advances	12	3,379	25,647	59,820
(v) Acc Interest on FDRs	13	22	10	-
(c) Other Current Assets	14	43,367	7,403	2,927
<b>Total current assets</b>		<b>409,057</b>	<b>324,859</b>	<b>376,334</b>
<b>Total Assets</b>		<b>628,087</b>	<b>401,207</b>	<b>382,504</b>
<b>II EQUITY &amp; LIABILITIES</b>				
<b>EQUITY</b>				
(a) Equity share capital	15	61,440	61,440	45,000
(b) Other equity	16	83,634	72,043	35,288
<b>Total Equity</b>		<b>145,074</b>	<b>133,483</b>	<b>80,288</b>
<b>LIABILITIES</b>				
<b>(1) Non current liabilities</b>				
<b>(a) Financial liabilities</b>				
(i) Borrowings	17	122,759	18,089	-
(ii) Provisions	18	1,642	1,356	1,287
(iii) Deffered Tax Liabilities(Net)	6	1,475	-	-
<b>Total non-current liabilities</b>		<b>125,876</b>	<b>19,445</b>	<b>1,287</b>
<b>(2) Current liabilities</b>				
(a) Financial liabilities :				
(i) Borrowings	19	277,775	235,695	219,756
(ii) Tradepayables				
(a) total outstanding dues of micro enterprises and smaller enterprises		-	-	
(b) total outstanding dues of creditors other than micro enterprises and smaller enterprises	20	78,591	12,087	79,213
(iii) Other Financial Liabilities	21	-	-	1,517
(b) Other current liabilities	22	771	497	443
<b>Total current liabilities</b>		<b>357,137</b>	<b>248,279</b>	<b>300,929</b>
<b>Total Equity and Liabilities</b>		<b>628,087</b>	<b>401,207</b>	<b>382,504</b>

Significant Accounting Policies

4

The accompanying notes form an integral part of the financial statements.

As per our Report of even date attached  
For SANMARKS & ASSOCIATES  
CHARTERED ACCOUNTANTS

For and on behalf of the Board of Directors

(Naresh Kumar Aggarwal )  
Partner  
FRN : 003343N, M.No. : 087351

(Het Ram)  
Director  
(DIN 02925990)

(Mithlesh Sharma)  
Director  
(DIN 06810394)

Place : Faridabad  
Date : 27.07.2020  
UDIN - 20087351AAAACK2693

(Manoj Kumar Jangir)  
Chief Financial Officer

(PriyaBareja)  
Company Secretary

**RAJNANDINI METAL LIMITED**

**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31st MARCH, 2020**

(Rs. in '000)

Particulars	Note No.	Year Ended March 31, 2020	Year Ended March 31, 2019
<b>INCOME</b>			
Revenue from operations	23	1,484,174	1,367,682
Other Income	24	4,344	1,042
<b>Total Income</b>		<b>1,488,518</b>	<b>1,368,724</b>
<b>EXPENSES</b>			
Purchase of Stock in Trade		954,799	1,332,617
Cost of material Consumed	25	546,592	
Changes in inventories	26	(93,164)	(23,688)
Employee Benefit Expenses	27	13,990	8,821
Finance Costs	28	24,551	18,143
Depreciation and amortization expense	5	3,125	1,414
Other expenses	29	22,443	16,017
<b>Total Expenses</b>		<b>1,472,336</b>	<b>1,353,324</b>
<b>Profit / (Loss) before tax</b>		<b>16,182</b>	<b>15,400</b>
Less : Tax Expenses			
- Current tax		3,086	4,557
- Deferred tax		1,505	392
- Mat Credit		-	-
<b>Total Tax Expenses</b>		<b>4,591</b>	<b>4,949</b>
<b>Profit / (Loss) from continuing operations</b>		<b>11,591</b>	<b>10,451</b>
<b>Total comprehensive income for the year</b>		<b>11,591</b>	<b>10,451</b>
<b>Earnings per equity share of face value of Rs. 10 each</b>			
(i) Basic (in Rs.)	30	1.88	1.98
(ii) Diluted (inRs.)	30	1.88	1.98

Significant Accounting Policies

4

The accompanying notes form an integral part of the financial statements.

As per our Report of even date attached  
For SANMARKS & ASSOCIATES  
CHARTERED ACCOUNTANTS

For and on behalf of the Board of Directors

(Naresh Kumar Aggarwal )  
Partner  
FRN : 003343N, M.No. : 087351

(Het Ram)  
Director  
(DIN 02925990)

(Mithlesh Sharma)  
Director  
(DIN 06810394)

Place : Faridabad  
Date : 27.07.2020  
UDIN - 20087351AAAACK2693

(Manoj Kumar Jangir)  
Chief Financial Officer

(Priya Bareja)  
Company Secretary

**RAJNANDINI METAL LIMITED**  
**CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH, 2020**

(Rs. in '000)

	Year Ended 31-03-2020 Amount (Rs)	Year Ended 31-03-2019 Amount (Rs)
<b>A CASH FLOW FROM OPERATING ACTIVITIES</b>	16,182	15,400
Profit before Tax		
Adjustments for :		
Depreciation and amortization expenses	3,125	1,414
Finance Costs	24,551	18,143
Interest received	(236)	(948)
Changes in Liabilities to Erstwhile personnel	-	-
<b>Operating Profit before working capital changes</b>	<b>43,622</b>	<b>34,009</b>
Adjustments for working capital changes :		
(Increase)/Decrease in Other non-current assets	(2,593)	(514)
(Increase)/Decrease in Inventories	(95,896)	(23,688)
(Increase)/Decrease in Financial-Non-current assets	-	-
(Increase)/Decrease in Financial-current assets	39,572	80,244
(Increase)/Decrease in Other current assets	(35,964)	(4,476)
Increase/(Decrease) in Trade payables	66,504	(67,126)
Increase/(Decrease) in Other-current Liabilities	274	54
Increase/(Decrease) in Provisions	69	1,287
<b>Cash generated from Operations</b>	<b>15,588</b>	<b>19,790</b>
Direct Taxes Paid	(4,949)	(4,676)
<b>Net Cash flow from Operating activities (A)</b>	<b>10,639</b>	<b>15,114</b>
<b>B CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of Fixed Assets including Intangible assets & CWIP	(71,013)	(101)
Interest received	236	948
<b>Net cash used in Investing activities (B)</b>	<b>(70,777)</b>	<b>847</b>
<b>C CASH FLOW FROM FINANCING ACTIVITIES</b>		
Increase in Share Capital	16,440	
Security Premium	26,304	
Proceeds / (repayment) of Borrowings	32,508	32,511
Finance Costs	(24,551)	(18,143)
<b>Net cash from / (used in) financing activities (C)</b>	<b>50,701</b>	<b>14,368</b>
<b>Net increase / (Decrease) in Cash and Cash Equivalents (A + B + C)</b>	<b>(9,437)</b>	<b>30,329</b>
Cash and Cash Equivalents at the beginning of the year (Refer Note 10 & 11)	13,801	13,801
Cash and Cash Equivalents at the end of the year (Refer Note 10 & 11)	6,316	14,406
	-	29,724

The accompanying notes form an integral part of the financial statements.

As per our Report of even date attached  
For SANMARKS & ASSOCIATES  
CHARTERED ACCOUNTANTS

For and on behalf of the Board of Directors

(Naresh Kumar Aggarwal )  
Partner  
FRN : 003343N, M.No. : 087351

(Het Ram)  
Director  
(DIN 02925990)

(Mithlesh Sharma)  
Director  
(DIN 06810394)

Place : Faridabad  
Date : 27.07.2020

(Manoj Kumar Jangir)  
Chief Financial Officer

(Priya Bareja)  
Company Secretary

## NOTES TO IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2020

### 1 COMPANY OVERVIEW

Rajnandini Metal Limited is a listed company engaged in carrying the business of manufacturing, trading or otherwise deal in the Steel, Iron, Iron Alloy, Castings, various metals, various kind of chemicals, furnace oils, petroleum products or other related products & fabricators, contractors, importers, exporters, stockist, agents, dealers, distributors, smelters, refiners, finishers, buyers or sellers or all kind of classes of ferrous & non ferrous metals such as iron & steel, aluminium, tin, nickel, zinc lead, copper, cooper continuous road, brass, silicon scrap and their products and to do all such activities related to such business having its registered office at 3E/17, BP, NIT, Faridabad (Hr.).

The financial statements were approved by the Board of Directors in their meeting held on July 15, 2020.

### 2 BASIS OF PREPARATION AND PRESENTATION

These financial statements are prepared in accordance with Indian Accounting Standard (Ind AS), under the historical cost convention on the accrual basis except for certain financial instruments which are measured at fair values, the provisions of the Companies Act, 2013 (the Act) (to the extent notified) and guidelines issued by the Securities and Exchange Board of India (SEBI). The Ind AS are prescribed under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015 and relevant amendment rules issued there after.

Up to the year ended March 31, 2018, the Company prepared its financial statements in accordance with the generally accepted accounting principles in India including accounting standards read with Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rule, 2014 (hereinafter referred as 'Indian GAAP' or 'Previous GAAP').

Effective April 1, 2018, the Company has adopted all the Ind AS standards and the adoption was carried out in accordance with Ind AS 101. First time adoption of Indian Accounting Standards, with April 1, 2017 as the transition date. The transition was carried out from Indian Accounting Principles generally accepted in India as prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (IGAAP), which was the previous GAAP.

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

### 3 USE OF ESTIMATES

The preparation of financial statements in conformity with Ind AS requires management to make adjustments, estimates and assumptions that may impact the application of accounting policies and the reported value of assets, liabilities, income, expense and related disclosure concerning the items involved as well as contingent assets and liabilities at the balance sheet date. Estimates and underlying assumptions are reviewed on an ongoing basis and revised if management became aware of changes in circumstances surrounding the estimates. Revisions to accounting estimates are recognized in the period in which the estimates are revised and, if material, their effects are disclosed in the notes to the financial statements. Application of accounting policies that require critical accounting estimates involving complex and critical judgment is disclosed in notes to accounts.

### 4 SIGNIFICANT ACCOUNTING POLICIES

#### 4.1 Property, Plant & Equipment and Depreciation

- (a) The company has elected the option to continue the carrying value for all of its property, plant and equipment as recognized in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as the deemed cost as at the date of transition as per IndAS 101. Property, plant and equipment are stated at original cost net of tax / duty credit availed, less accumulated depreciation and accumulated impairment losses, if any.
- (b) Subsequent expenditures relating to property, plant and equipment is capitalized only when it is probable that future economic benefits associated with these will flow to the company and the costs to the item can be measured reliably.

- (c) Depreciation on Building, Plant & Machinery and Computer is being provided on Straight Line Method.

Property, plant and equipment	Useful Life of Asset ( In year) as per Schedule-II	Useful Life of Asset ( In year) as adopted	
Plant & Equipment	15 to 30	15 to 30	
Vehicle	8	6 to 8	
Office Equipment	10	5	
Computer	3	3	

- (d) Based on the technical experts assessment of useful life, certain items of property plant and equipment are being depreciated over useful lives different from the prescribed useful lives under Schedule II to the Companies Act, 2013. Management believes that such estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.
- (e) Depreciation on addition to property plant and equipment is provided on pro-rata basis from the date of acquisition. Depreciation on sale/deduction from property plant and equipment is provided up to the date preceding the date of sale, deduction as the case may be. Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in Statement of Profit and Loss under 'Other Income' or 'Other Expenses' as the case may be.
- (f) Depreciation methods, useful lives and residual values are reviewed periodically at each financial year end and adjusted prospectively, as appropriate.

#### 4.2 Impairment of Assets

- (a) Property, plant and equipment are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amount may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis. In such cases, the recoverable amount is determined for the Cash Generating units (CGU) to which the assets belongs . If such assets are considered to be impaired, the impairment to be recognized in the statement of profit and loss is measured by the amount by which the carrying value of the assets exceeds the estimated recoverable amount of asset.
- (b) Reversal of impairment losses recognized in prior years is recorded when there is an indication that the impairment losses recognized for the assets no longer exists or have decreased.

#### 4.3 Revenue Recognition

Revenue from sales are recognised net of return on transfer of significant risk and rewards of the ownership to the buyer, which generally coins id with the delivery of goods to customers. Sale exclude GST.

#### 4.4 Inventories

Inventories of goods traded - in has been valued at lower of "Cost" or "Net realizable value".

#### 4.5 Taxation

##### (a) Current Tax

Current tax expense is recognized in statement of profit and loss based on current tax rate in accordance with the provisions of Income Tax Act, 1961.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Current income taxes are recognized under "income tax payable" net of payments on account, or under "tax receivables" where there is a credit balance.

**(b) Deferred Tax**

Deferred tax is recognized using the balance sheet method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date. Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on an as basis or their tax assets and liabilities will be realized simultaneously.

Deferred tax is recognized in statement of profit and loss except to the extent that it relates to items recognized directly in other comprehensive income or equity, in which case it is recognized in other comprehensive income or equity.

A deferred tax asset is recognized to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

**4.6 Provisions, Contingent Liabilities and Contingent Assets**

Disclosure of contingencies as required by the Indian accounting standard is furnished in the Notes on accounts.

- (a)** Provisions are made when (a) the Company has a present obligation as a result of past events; (b) it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and (c) a reliable estimate is made of the amount of the obligation.
- (b)** Contingent Liability is disclosed after careful evaluation of facts, uncertainties and possibility of reimbursement, unless the possibility of an outflow of resources embodying economic benefits is remote. Contingent liabilities are not recognized but are disclosed in notes. Contingent assets are not recognized. However, when the realization of income is virtually certain, then the related asset is no longer a contingent asset, and is recognized as an asset. Information on contingent liabilities is disclosed in the notes to the financial statement. A contingent asset is disclosed where an inflow of economic benefits is probable.

**4.7 Financial Instruments**

**A Financial Assets**

**(a) Initial recognition and measurement**

The company recognizes financial assets and liabilities when it becomes a party to the contractual provisions of the instrument. All financial assets are recognized at fair value on initial recognition, except for trade receivables which are initially measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities that are not at fair value through profit or loss are added to the fair value on initial recognition. Purchase and sale of financial assets are accounted for at trade date.

**(b) Subsequent Measurement : Non-derivative financial instruments**

**(i) Financial assets carried at amortized cost (AC)**

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

**(ii) Financial assets at fair value through other comprehensive income (FVTOCI)**

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

**(iii) Financial assets at fair value through profit or loss (FVTPL)**

A financial asset which is not classified in any of the above categories are subsequently fair valued through profit or loss.

## **B Financial liabilities**

### **(a) Initial recognition and measurement**

The Company's financial liabilities include trade and other payables, loans and borrowings etc. All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs, if any.

### **(b) Offsetting of Financial Liabilities**

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

## **C Derecognition of financial instruments**

The company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition under Ind AS 109. A financial liability (or a part of a financial liability) is de-recognized from the company's balance sheet when the obligation specified in the contract is discharged or cancelled or expires.

### **4.8 Borrowing Costs**

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

### **4.9 Cash and cash equivalents**

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

### **4.10 Cash Flow Statement**

Cash flows are reported using indirect method as per Ind AS 7, whereby profit before tax is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flow from regular revenue generating, financing and investing activities of the Company is segregated.

### **4.11 Earning Per Share**

Basic earnings (loss) 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 dilutive potential equity shares.

### **4.12 Segment Reporting**

Company is in the business of trading in ferrous and non ferrous metal scrap. The company has single primary business segment and there is no separate reportable segment.

### **4.13 Fair Value Measurement**

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

For the purpose of fair value disclosures, the Company has determined classes of assets & liabilities on the basis of the nature, characteristics and the risks of the asset or liability and the level of the fair value hierarchy as explained above.

#### 4.14 Standards issued but not yet effective

On March 30, 2019, the Ministry of Corporate Affairs notified the Ind AS 116 to be effective for annual period beginning on or after April 01, 2019.

The notification sets out the principles for the recognition, measurement, presentation and disclosure of leases. Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to account for all leases under a single on-balance sheet model similar to the accounting for finance leases under Ind AS 17. The standard includes two recognition exemptions for lessees – leases of 'low-value' assets (e.g., personal computers) and short-term leases (i.e., leases with a lease term of 12 months or less). At the commencement date of a lease, a lessee will recognise a liability to make lease payments (i.e., the lease liability) and an asset representing the right to use the underlying asset during the lease term (i.e., the right-of-use asset). Lessees will be required to separately recognise the interest expense on the lease liability and the depreciation expense on the right-of-use asset.

#### 6 Deferred Tax Liabilities / Assets(Net) (Rs. in'000)

Particulars	As at March 31, 2020	As at March 31, 2019	As at March 31, 2018
Deferred Tax Assets due to Depreciation	(1,475)	29	421
<b>Deferred Tax Assets (Net)</b>	<b>(1,475)</b>	<b>29</b>	<b>421</b>

#### The movement on the deferred tax account is as follows: (Rs. in'000)

Particulars	As at March 31, 2020	As at March 31, 2019	As at March 31, 2018
At the start of the year	29	421	(93)
Credit/(Charge) to Statement of Profit and Loss	(1,504)	(392)	514
At the end of the year	(1,475)	29	421

#### 7 Other Non-Current Assets (Rs. in'000)

Particulars	As at March 31, 2020	As at March 31, 2019	As at March 31, 2018
<b>(Unsecured and Considered Good)</b>			
Income tax receivable (Net of provision)	1,903	286	-
Security deposit	2,050	682	-
Statutory dues deposited under Protest	-	-	-
<b>Total</b>	<b>3,953</b>	<b>968</b>	

#### 8 Inventories (Rs. in'000)

Particulars	As at March 31, 2020	As at March 31, 2019	As at March 31, 2018
<b>(As verified, valued and Certified by the Management)</b>			
Raw material	-	-	-
Work-in-progress	-	-	-
Stock in Trade	15,241	75,476	51,788
Stock of Scrap	441	-	-
Finished Goods	152,957	-	-
Stock of Spare Parts	2,733	-	-
<b>Total</b>	<b>171,372</b>	<b>75,476</b>	<b>51,788</b>

**9 Trade Receivable** (Rs. in'000)

Particulars	As at March 31, 2020	As at March 31, 2019	As at March 31, 2018
<b>Unsecured Considered Goods</b>			
Outstanding for a period exceeding six months from the date they are due for	26,268	8,085	830
Others	158333	193832	247168
<b>Total</b>	<b>184,601</b>	<b>201,917</b>	<b>247,998</b>

**10 Cash & Cash Equivalents** (Rs. in'000)

Particulars	As at March 31, 2020	As at March 31, 2019	As at March 31, 2018
Cash on hand	877	1,252	991
Balances with schedule banks:			
In Current Accounts	444	654	310
In Fixed Deposit Accounts having maturity less than 3 months	-	-	-
<b>Total</b>	<b>1,321</b>	<b>1,906</b>	<b>1,301</b>

**11 Other bank balances-Current** (Rs. in'000)

Particulars	As at March 31, 2020	As at March 31, 2019	As at March 31, 2018
Bank deposits with original maturity more than 3 months but less than 12 months	4,995	12,500	12,500
<b>Total</b>	<b>4,995</b>	<b>12,500</b>	<b>12,500</b>

\*Bank deposits are pledged with bank against Letter Of Credit Facility.

**12 Loans & Advances** (Rs. in'000)

Particulars	As at March 31, 2020	As at March 31, 2019	As at March 31, 2018
<b>(Unsecured and Considered Good)</b>			
Advance to Suppliers	749	25647	54189
Advance to Service providers	2630	0	0
Deposit with HSIIDC	-	-	5,631
<b>Total</b>	<b>3,379</b>	<b>25,647</b>	<b>59,820</b>

**13 Other financial assets-Current** (Rs. in'000)

Particulars	As at March 31, 2020	As at March 31, 2019	As at March 31, 2018
<b>(Unsecured and Considered Good)</b>			
Acc Intt on FDR	22	10	-
<b>Total</b>	<b>22</b>	<b>10</b>	<b>-</b>

**14 Other Current Assets** (Rs. in'000)

Particulars	As at March 31, 2020	As at March 31, 2019	As at March 31, 2018

<b>(Unsecured and Considered Good)</b>			
Prepaid Insurance Charges	122	-	-
Vat/GST Receivable	43,245	3,724	-
Insurance Claim Receivable	-	3,679	2,927
<b>Total</b>	<b>43,367</b>	<b>7,403</b>	<b>2,927</b>

#### 15 Equity Share Capital

(Rs. in'000)

Particulars	As at 31st March 2020		As at 31st March 2019		31.03.2018
	Number	Amount	Number	Amount	Amount
<b>Authorized</b>					
Equity Share of Rs. 10/- each	6500000	65,000	6500000	65,000	65,000
		-		-	
		<b>65,000</b>		<b>65,000</b>	<b>65,000</b>
<b>Issued, Subscribed &amp; Fully Paid up</b>					
Equity Shares of Rs 10/- each fully paid up	6144000	61,440	6144000	61,440	45,000
		<b>61,440</b>		<b>61,440</b>	<b>45,000</b>

#### 15.1 Reconciliation of sharecapital:

Particulars	As at 31st March 2020		As at 31st March 2019		31.03.2018
	Number	Amount	Number	Amount	Amount
Equity Shares at the beginning of the year	6144000	61,440	6144000	61,440	45,000
Add / (Less): Shares issued / (forfeited/buyback)duringtheyear	-	-	-	-	
EquitySharesattheendoftheyear	<b>6144000</b>	<b>61,440</b>	<b>6144000</b>	<b>61,440</b>	<b>45,000</b>

#### 15.2 The rights, preferences and restrictions attached to each class of shares:

The company has issued only one class of Equity Shares having the par value of Rs10/-per share. Each shareholder is entitled to one vote pershare.

#### 15.3 The details of shareholders holding more than 5% shares:

Name of the Shareholder	As at 31st March 2020		As at 31st March 2019		31.03.2018
	No. of Shares held	% of holding	No. of Shares held	% of holding	% of Holding
Het Ram	2497440	40.65%	2497440	40.65%	55.50
Mithlesh Sharma	2002060	32.59%	2002060	32.59%	44.49

#### 16 Other Equity

(Rs. in'000)

Particulars	As at	As at	As at
	March 31, 2020	March 31, 2019	March 31, 2018
<b>Security Premium</b>			
Opening Balance	26,304	-	
(+) Additions during the year	-	26,304	
(-) Utilized / transferred during the year	-	-	
	<b>26,304</b>	<b>26,304</b>	
Opening Balance	-	-	
(+) Additions during the year	-	-	
(-) Utilized / transferred during the year	-	-	
	-	-	
<b>Retained Earnings</b>			
As per last Balance Sheet	45,739	35,288	25,863
Add: Profit / (Loss) for the year	11,591	10,451	9,425
	<b>57,330</b>	<b>45,739</b>	<b>35,288</b>
	<b>83,634</b>	<b>72,043</b>	<b>35,288</b>

**17 Borrowings-Current**

(Rs. in'000)

Particulars	As at March 31, 2020	As at March 31, 2019	As at March 31, 2018
<b>Secured*</b>			
Yes Bank Car Loan/ HDFC Bank Car Loan Karnataka Bank Term Loan	122,759	752	
<b>Unsecured</b>			
Loans from Related Parties	-	17,337	
<b>Total</b>	<b>122,759</b>	<b>18,089</b>	<b>-</b>

\*Secured by way of hypothecation and personal guarantee of director Sh.HetRam.

**18 Other Long Term Provisions-Noncurrent**

(Rs. in'000)

Particulars	As at March 31, 2020	As at March 31, 2019	As at March 31, 2018
Gratuity Payable	1,642	1,356	1,287
<b>Total</b>	<b>1,642</b>	<b>1,356</b>	<b>1,287</b>

\*Refer Note No. 33

**19 Borrowings-Current**

(Rs. in'000)

Particulars	As at March 31, 2020	As at March 31, 2019	As at March 31, 2018
<b>Secured*</b>			
Overdraft Limit from Kartanaka Bank	237,054	190,133	169,910
LC Limit from Kartanaka Bank	25,087	45,123	49,846
Car Loan from YES Bank	481	439	-
Car Loan from HDFC Bank	951	-	-
Karnataka Bank Term Loan	6,965	-	-
<b>Unsecured</b>			
Loans from Related Party	7,237	-	-
<b>Total</b>	<b>277,775</b>	<b>235,695</b>	<b>219,756</b>

\*Over draft facility is secured by way of equitable mortgage of titled deeds of various properties belonging to Raj Bala, Mithlesh Sharma, Het Ram, Bhuri Devi i.e.H.No.3E/17,BP,NIT,Faridabad,H.No.382,Sector-7A, Faridabad,PlotNo.A-1211,DabuaColony,H.No.94,Block GP, Mourya Enclave, PitamPura, Delhi, H.No. 307, Sector - 21C, Faridabad, H.No. 307, SadhbhawnaEWS Co.Op. Society, Sec - 46, Faridabad and pledge of term deposits belonging to Atma Ram Sharma of value 280.79 Lacs and personal guarantee of directors of the company Het Ram Sharma, Mithlesh Sharma and co. obligation of Smt. Raj Bala ,Atma Ram Sharma and Mrs. Bhuri Devi

**20 Trade Payables**

(Rs. in'000)

Particulars	As at March 31, 2020	As at March 31, 2019	As at March 31, 2018
Total Outstanding dues of micro and small enterprises	-	-	-
Total Outstanding dues of other than micro and small enterprises	78,591	12,087	79,213
<b>Total</b>	<b>78,591</b>	<b>12,087</b>	<b>128,052</b>

Refer Note 31

**21 Other Financial Liabilities-Current**

(Rs. in'000)

Particulars	As at March 31, 2020	As at March 31, 2019	As at March 31, 2018
HDFC Bank Car Loan	-	-	1,517
<b>Total</b>	<b>-</b>	<b>-</b>	<b>1,517</b>

**22 Other Current liabilities****(Rs. in'000)**

Particulars	As at March 31, 2020	As at March 31, 2019	As at March 31, 2018
Audit Fee Payable	113	68	37
Income Tax Payable (Net of provision)	-	-	62
Salary Payable	300	151	-
Electricity Provision	45	12	-
Statutory dues Payable	313	266	344
<b>Total</b>	<b>771</b>	<b>497</b>	<b>443</b>

**23 Revenue from Operations**

Particulars	Year Ended 31-03-2020	Year Ended 31-03-2019
Revenue from sale of Scrap	1,484,174	1,367,682
	<b>1,484,174</b>	<b>1,367,682</b>

**24 Other Income****(Rs. in'000)**

Particulars	Year Ended 31-03-2020	Year Ended 31-03-2019
Interest Income	236	948
Misc Income	4,108	94
	<b>4,344</b>	<b>1,042</b>

**25 Cost of Material Consumed**

Particulars	Year Ended 31-03-2020	Year Ended 31-03-2019
Opening Stock of Copper Scrap	-	-
Purchase Copper Scrap	546,592	-
	546,592	-
<b>Less : Closing Stock of Copper Scrap</b>	<b>-</b>	<b>-</b>
	<b>-</b>	<b>-</b>
	<b>546,592</b>	<b>-</b>

**26 Changes in inventories****(Rs. in'000)**

Particulars	Year Ended 31-03-2020	Year Ended 31-03-2019
<b>Opening Stock</b>		
Stock of Scrap	75,476	51,788
	<b>75,476</b>	<b>51,788</b>
<b>Closing Stock</b>		
Stock in Trade	15,241	75,476
Work-in-progress	-	-
Stock of Scrap	441	-
Finished Goods	152,958	-
	<b>168,640</b>	<b>75,476</b>
<b>(Increase) / Decrease in inventories</b>	<b>(93,164)</b>	<b>(23,688)</b>

**27 Employee Benefit Exp****(Rs. in'000)**

Particulars	Year Ended 31-03-2020	Year Ended 31-03-2019
Salary	3,409	2,456
Director Remuneration	6,000	6,000
Provision for Gratuity	286	69
Employer Cont to ESI	35	47
Employer Cont to PF	106	86

Manpower Services	2,667	-
Labour Charges Direct	1,398	-
Staff Welfare Exp	89	163
	<b>13,990</b>	<b>8,821</b>

## 28 Finance Costs

(Rs. in'000)

Particulars	Year Ended 31-03-2020	Year Ended 31-03-2019
Interest on borrowings (Net)	24,551	18,143
	<b>24,551</b>	<b>18,143</b>

## 29 Other Expenses

(Rs. in'000)

Particulars	Year Ended 31-03-2020	Year Ended 31-03-2019
Legal & Professional Expenses	533	1,569
Conveyance & Travelling Expense	286	370
Share Issue Exp	-	821
Power & Fuel	4,041	294
Repair Others	176	97
Repair & Maint Machinery	1,018	-
Business Promotion	60	69
Rates & Taxes	961	225
Directors' Sitting Fees	-	56
Payment To Auditors (Refer Note 26.1)	338	75
Communication Expenses	83	112
Printing & Stationary	48	69
Other Expenses	14,899	12,260
	<b>22,443</b>	<b>16,017</b>

## 29.1 Payment to Auditors

(Rs. in'000)

Particulars	Year Ended 31-03-2019	Year Ended 31-03-2020
Audit Fee	152	75
Payment to Auditors Others	186	
	<b>338</b>	<b>75</b>

## 30 Earning per Share

Particulars	Year Ended 31-03-2020	Year Ended 31-03-2019
Profit / (Loss) attributable to Equity Shareholders	11,591	10,451
Weighted average number of Equity Shares of Rs. 10/- Each (No. of Shares)	6,144,000	6,144,000
Earning per Shares -(InRs.)		
Basic	1.88	1.98
Diluted	1.88	1.98

31 Based on the confirmations from the parties, who have registered themselves under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act), received so far with the company, no balance is due to Micro and Small Enterprises as defined under the MSMED Act, 2006 as at 31st March 2020 & 31st March 2019. Hence no further details as required by Notification dated 04-09-2015 issued by the Ministry of Corporate Affairs are applicable.

32 Balances appearing for Trade Payables, and loans & borrowings are subject to confirmation, reconciliation and adjustments, if any.

33 In the opinion of the Board and to the best of their knowledge and belief the value on realization of loans, advances and current assets in the ordinary course of business will not be less than the amount at which they are stated in Balance Sheet and provision for all known liabilities has been made.

34 Related Party Disclosure

List of Key Management of Personnel

Name	Designation
Mr. Het Ram	Chief Executive Officer
Mr. Manoj Kumar Jangir	Chief Financial Officer
Mr. Rahul Kumar Bansal from 26.03.2018 to 20.6.2019	Company Secretary
Mrs. Kanchan Kaushik from 14.11.19 to 27.1.2020	Company Secretary
Ms. PriyaBreja from 31.03.2020	Company Secretary
Mrs. Mithlesh Sharma	Director
Mr. Shiv Kumar	Additional Director
Mr. Surender Sharma	Addition Director

Compensation of Key Management Personnel / transactions with related parties

(Rs. in'000)

Particulars	Current Year	Previous Year
Remuneration paid to Mr. Het Ram	4,800	4,800
Remuneration paid to Mrs. Mithlesh Sharma	1,200	1,200
Sitting Fees paid to Mr. Shiv Kumar	-	26
Sitting Fees paid to Mr. Surender Sharma	-	30
Salary to Manoj Kumar Jangir	840	780
Salary to Rahul Bansal	75.59	300
Salary to KanchanKaushik	86.66	-
Salary to PriyaBreja	1.18	-
Rent Paid to Mrs. Mithlesh Sharma	1,800	1,800
Rent Paid to Mrs. Raj Bala	1,800	1,800
Interest on Loan paid to Nandini Sharma	1,160	1,160
Sale to Haryana Metal Traders	-	94,397
Purchase from Haryana Metal Traders	-	209,221

Loans to and from KMP

Mr. HetRam(CEO)

(Rs. in'000)

Particulars	Current Year	Previous Year
Unsecured Loans at beginning of the year	11,450	-
Unsecured Loan received from Het Ram	-	11,450
Repayment received	10,100	-
Interest charged	-	-
Interest received	-	-
Balance at end of the year including interest	1,350	11,450

\* No interest is paid on the loan received.

35 Disclosure under Ind AS 108 – ‘Company is in the business of trading in ferrous and non ferrous metal scrap & during the present period the company started manufacturing of copper wire rod. The company has single primary business segment and their is no separate reportable segment.

36 The figures reported in financial statements have been rounded off to the nearest thousand of rupees.

37 Previous year figures have been regrouped, rearranged or reclassified where ever necessary.

38 Information regarding Goods Traded Description - Ferrous Non Ferros Metals Scrap

Stock detail as on 31.03.2020

Qty in Kg

Item Name	Op. Stock	Purchase	Sales	Cl. Stock
Copper Ingot/Scrap/Wire	76,227.61	1,343,169.14	1,390,279.50	29,117.25
Brass Ingot/Scrap/Wire	-	109,108.45	107,716.45	1,392.00
Zinc	153,133.00	17,550.00	152,933.00	17,750.00
LSHS Fuel	5,070.00	-	5,070.00	-

PVC/Plastic Scrap	-	1,838.00	1,838.00	-
MS Scrap	-	2,186.00	-	2,186.00
Aluminium	45,314.05	1,709,207.69	1,752,539.74	1,982.00

**Stock detail ason31.03.2019**

**Qty inKg**

Item Name	Op. Stock	Purchase	Sales	Cl. Stock
Copper Ingot/Scrap/Wire	111,737.00	1,884,483.91	1,919,993.30	76,227.61
Brass Ingot/Scrap/Wire	1,346.00	110,836.20	112,182.20	-
Waste & dust plastic	-	80,464.65	80,464.65	-
Zinc	-	1,932,067.21	1,778,934.21	153,133.00
Plastic/Plastic Scrap	-	122,732.70	122,732.70	-
LSHS Fuel	-	5,070.00	-	5,070.00
Iron Scrap	-	487.00	487.00	-
Aluminium	-	572,524.50	527,210.45	45,314.05

Information regarding goods manufactured (Principal item of raw material, finished products and by products

**Stock detail ason31.03.2020**

**Qty in**

Item Name	Op. Stock	Purchase	Consumed	Cl. Stock	Yield of Finished products	% of Yield
<b>(A) Raw Material</b>						
Copper Scrap	-	1,406,778	1,406,778	-	1,377,262	97.90
	-					-
Item Name	Op. Stock	Manufactured during the year	Sale During The year	Cl. Stock	Shortage	
<b>(B) Finished Products</b>						
Copper Wire Rod	-	1,351,351	978,284	373,067	-	
	-					-
Item Name	Op. Stock	Manufactured during the year	Sale During The year	Cl. Stock	Shortage	
<b>(C) By Products</b>						
Cast Bar Copper	-	763	-	763	-	
Dust Mixed Slag Keet	-	25,148	-	25,148	-	
	-					-

**39 Expected Credit Loss**

For recognition of impairment loss on trade receivable and other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognizing impairment loss allowance based on 12-month ECL.

**40 Risk Management Framework**

The Company's business is subject to various risk and uncertainties including financial risks. The Company's documented risk management polices act as an effective tool in mitigating the various financial risks to which the business is exposed to in the course of their daily operations. The risk management policies cover areas such as liquidity risk, market risk, interest rate risk, and capital management. Risks are identified through a formal risk management programme with active involvement of senior management personnel and business managers. The Company has in place risk management processes in line with the Company's policy. Each significant risk has a designated 'owner' within the Company at an appropriate senior level. The potential financial impact of the risk and its likelihood of a negative outcome are regularly updated.

#### 40.1 Financial Risk

The Company's Board identified financial risks comprising liquidity, currency, interest rate and outer party risk. The Company does not engage in speculative treasury activity but seeks to manage risk of interest rate through proven financial instruments.

#### 40.2 Liquidity Risk

The Company requires funds primarily for short-term operational needs. The Company generates sufficient cash flows from the current operations which together with the available cash and cash equivalents and provide liquidity for short-term need of the funds. Accordingly no liquidity risk is perceived.

#### 40.3 Maturity profile of financial Liabilities:

The table below summarises the maturity profile of the company's financial liabilities based on contractual undiscounted payments.

Particular	Less than 1 Year	1 to 5 Years	More than 5 years	Total
<b>March 31, 2020</b>				
Borrowings	277,775	84,493	38,266	400,534
Trade payables	78,591	-	-	78,591
Other financial liabilities	771	-	1,642	2,413
	<b>357,137</b>	<b>84,493</b>	<b>39,908</b>	<b>481,538</b>
<b>March 31, 2019</b>				
Borrowings	235,695	18,089	-	253,784
Trade payables	12,087	-	-	12,087
Other financial liabilities	497	-	1,356	1,853
	<b>248,279</b>	<b>18,089</b>	<b>1,356</b>	<b>267,724</b>

#### 40.4 Market Risk

The Management does not envisage any major risks associated with pricing of its goods, since the same has already been fixed.

#### 40.5 Interest raterisk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument fluctuates because of changes in prevailing market interest rates. The Company's exposure to the risk due to changes in interest rates relates primarily to the Company's short-term borrowings. The Company constantly monitors the credit markets and revisits its financing strategies to achieve an optimal maturity profile and financing cost. During March 31, 2019 borrowings at fixed rate denominated in INR.

Particulars	As At March 31, 2020		As At March 31, 2019	
	Fixed Rate Borrowings	Floating Rate Borrowings	Fixed Rate Borrowings	Floating Rate Borrowings
Car Term Loan & Unsecured L	162,131	237,053	7,078	235,256

**Interest Rate Sensitivities for Floating Rate Borrowings:**

Since interest rate of floating rate borrowings is subject to change from time to time of MCLR declared by RBI hence there is no requirement for calculating the interest rate sensitivity.

#### 40.6 Credit risk

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

#### 40.7 Capital Management

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

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

(Rs. in '000)

Particular	0	0
Short term Borrowings	277,775	235,695
<b>Net debts</b>	<b>277,775</b>	<b>235,695</b>
<b>Capital components</b>		
Share capital	61,440	61,440
Reserves and surplus	83,634	72,043
<b>Total capital</b>	<b>145,074</b>	<b>133,483</b>
<b>Capital and net debt</b>	<b>422,849</b>	<b>369,178</b>
<b>Gearing ratio (%)</b>	<b>66%</b>	<b>64%</b>

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the lenders to immediately call loans and borrowings. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing during the period when they availed facilities from bank.

#### 41 Fair value measurement

##### 41.1 Valuation Principles

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions (i.e., an exit price), regardless of whether that price is directly observable or estimated using a valuation technique.

In order to show how fair values have been derived, financial instruments are classified based on a hierarchy of valuation techniques, as explained in Note below

##### 41.2 Fair value hierarchy

Fair value of the financial instruments is classified in various fair value hierarchies based on the following three levels:

**Level 1:** Quoted prices (unadjusted) in active market for identical assets or liabilities.

**Level 2:** Inputs other than quoted price included within level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

The fair value of financial instruments that are not traded in an active market is determined using market approach and valuation techniques which maximize the use of observable market data and rely as little as possible on entity-specific estimates. If significant inputs required to fair value an instrument are observable, the instrument is included in Level 2.

**Level 3:** Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

If one or more of the significant inputs is not based on observable market data, the fair value is determined using generally accepted pricing models based on an analysis, with the most significant inputs being the discount rate that reflects the credit risk of counterparty.

41.3 The fair value of trade receivables, trade payables and other Current financial assets and liabilities is considered to be equal to the carrying amounts of these items due to their short-term nature. Where such items are Non-current in nature, the same has been classified as Level 3 and fair value determined using basis. Similarly, unquoted equity instruments where most recent information to measure fair value is insufficient, or if there is a wide range of possible fair value measurements, cost has been considered as the best estimate of fairvalue.

There has been no change in the valuation methodology for Level 3 inputs during the year. There were no transfers between Level 1 and Level 2 during theyear.

**Categories of financial instruments and fair value thereof:**

(Rs. in'000)

Particulars	March 31, 2020		March 31, 2019	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value
<b>A. Financial Assets -Measured at Amortised Cost</b>				
Cash and cash equivalents	1,321	1,321	1,906	1,906
Bank Balance other than cash	4,995	4,995	12,500	12,500
Loans	3,379	3,379	25,647	25,647
Other Financial assets	22	22	10	10
<b>Total</b>	<b>9,717</b>	<b>9,717</b>	<b>40,063</b>	<b>40,063</b>
<b>B. Financial Liabilities- Measured at Amortised Cost</b>				
Trade Payables	78,591	78,591	12,087	12,087
Borrowings (Other than Debt S	277,775	277,775	235,695	235,695
Other financial liabilities	-	-	-	-
<b>Total</b>	<b>356,366</b>	<b>356,366</b>	<b>247,782</b>	<b>247,782</b>

The management assessed that cash and cash equivalents and bank balances, trade receivables, other financial assets, certain investments, trade payables, borrowings and other current liabilities is considered to be equal to the carrying amounts of these items largely due to the short-term maturities of these instruments. Difference between carrying amount and fair value of bank deposits, other financial assets, other financial liabilities and borrowings subsequently measured at amortised cost is not significant in each of the yearpresented.

41.4 The Quantative disclosures of fair value measurement hierarchy for assets and liabilities as at March 31,2020

(Rs. in '000)

Particulars	Total (Carrying Value)	Fair value measurement using		
		Quoted prices in (Level 1)	Significant (Level 2)	Significant (Level 3)
<b>A. Financial Assets -Measured at Amortised Cost</b>				
Cash and cash equivalents	1,321	-	1,321	-
Bank Balance other than cash	4,995	-	4,995	-
Loans	3,379	-	3,379	-
Other Financial assets	22	-	22	-
<b>Total</b>	<b>9,717</b>	<b>-</b>	<b>9,717</b>	<b>-</b>
<b>B. Financial Liabilities- Measured at Amortised Cost</b>				
Trade Payables	78,591	-	78,591	-
Borrowings (Other than Debt S	277,775	-	277,775	-
Other financial liabilities	-	-	-	-
<b>Total</b>	<b>356,366</b>	<b>-</b>	<b>356,366</b>	<b>-</b>

41.5 The Quantative disclosures of fair value measurement hierarchy for assets and liabilities as at March 31,2019

Particulars	Total (Carrying Value)	Fair value measurement using		
		Quoted prices in (Level 1)	Significant (Level 2)	Significant (Level 3)
<b>A. Financial Assets -Measured at Amortised Cost</b>				
Cash and cash equivalents	1,906	-	1,906	-
Bank Balance other than cash	12,500	-	12,500	-
Loans	25,647	-	25,647	-
Other Financial assets	10	-	10	-
<b>Total</b>	<b>40,063</b>	<b>-</b>	<b>40,063</b>	<b>-</b>
<b>B. Financial Liabilities- Measured at Amortised Cost</b>				
Trade Payables	12,087	-	12,087	-
Borrowings (Other than Debt S	235,695	-	235,695	-
Other financial liabilities	-	-	-	-
<b>Borrowings (Other than Debt</b>	<b>247,782</b>	<b>-</b>	<b>247,782</b>	<b>-</b>

42 Consequent to the lockdown/restrictions imposed by the Central and State Governments to tackle COVID-19 pandemic, the manufacturing operations were temporary closed in the last week of March, 2020. The company has obtained the required permission and started the production on 03rd May, 2020. This global pandemic significantly affects economic activities worldwide and as result, the same could effect the operation of the company in terms of impacting supply chain, industrial stock demand, price of materials and availability of employee/workers as. At the date of approval of this financial statement, the company has evaluate the impact of COVID-19 on its business operation and based on its review and current indicators of future economic conditions, there is no significant impact on its financial results.

**43 Contingent Liabilities**

**Contingent Liabilities in respect of :-**

	<b><u>2019-20</u></b>	<b><u>2018-19</u></b>
1. Claims against the company not acknowledged as debts	0	0
2. Bank guarantee issued	0	0
3. Letter of credit outstanding	25087037/-	45123225/-
4. Bill discounted from Bank	0	0



**RAJNANDINI METAL LIMITED**  
**Reg. Office: Village 3E/17, B.P., N.I.T, Faridabad - 121001**  
**Ph: 0129-4074043**  
**E-mail: info@rajnandinimetal.com**  
**Website- www.rajnandinimetal.com**  
**CIN: L51109HR2010PLC040255**

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**ATTENDANCE SLIP**  
**10<sup>th</sup> ANNUAL GENERAL MEETING – August 31, 2020**

Members' Name and Address details	
Reg. Folio No.	
DP & Client No.	
No. of Shares Held	

I certify that I am a registered Shareholder/Proxy for the registered shareholder of the Company. I hereby record my presence at the 10<sup>th</sup> Annual General Meeting of the Company at its registered office at 3E/17, B.P., N.I.T, Faridabad – 121001 on **Monday, 31<sup>st</sup> August, 2020 at 2:00 P.M.**

- A member/proxy wishing to attend the Meeting must complete this Attendance Slip before coming to the Meeting and hand it over at the entrance.
- If you intend to appoint a proxy, please complete the Proxy Form and deposit it at the Company's Registered Office, at least 48 hours before the Meeting.
- Please bring your copy of the Annual Report to the Meeting.

I record my presence at the  
**Tenth Annual General Meeting**

\_\_\_\_\_  
Name of Proxy in BLOCK LETTERS

\_\_\_\_\_  
(If the Proxy attends instead of the Member)  
Signature of Member/Proxy

**Form No. MGT-11**  
**Proxy Form**

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

**RAJNANDINI METAL LIMITED**

Reg. cum Corp. Office: Village 3E/17, B.P., N.I.T, Faridabad - 121001

Ph: 0129-4074043

E-mail: info@rajnandinimetal.com

Website- www.rajnandinimetal.com

CIN: L51109HR2010PLC040255

Name of the Member (s):	
Registered address:	
E-mail ID:	
Folio No./Client ID:	
DP ID:	

I/We being the holder of \_\_\_\_\_ equity shares of Rajnandini Metal Limited  
\_\_\_\_\_ hereby appoint

1. Name: \_\_\_\_\_ E-mail: \_\_\_\_\_  
Address: \_\_\_\_\_ Signature: \_\_\_\_\_ or failing him/her
2. Name: \_\_\_\_\_ E-mail: \_\_\_\_\_  
Address: \_\_\_\_\_ Signature: \_\_\_\_\_ or failing him/her

as my/our **proxy** to vote for me/us on my/our behalf at the Annual General Meeting of the Company to be held on Monday, 31<sup>st</sup> August, 2020 at 02:00 PM and at any adjournment thereof in respect of such resolutions as are indicated below:

Sr. No	RESOLUTIONS	Tick appropriately
<b>ORDINARY RESOLUTION</b>		
1.	To receive, consider and adopt the Audited Balance sheet as at 31st March, 2020, Statement of Profit and Loss and Cash flow statement for the year ended 31 <sup>st</sup> march, 2020 together with the report of Directors and Auditors thereon.	For/Against
2.	To ratify the appointment of Statutory Auditors of the Company for the Financial Year 2020-21 and fix their remuneration.	For/Against
3.	To appoint a Director in place of Mr. Het Ram Sharma (DIN: 02925990), who retires by rotation and being eligible offers himself for re-appointment	For/Against
<b>SPECIAL BUSINESS</b>		
4.	To Approve contact/arrangement for material related party transactions with various related parties.	For/Against
5.	To consider and approve increase in Authorised Capital of the Company	For/Against

- |    |   |             |
|----|---|-------------|
| 6. | To Consider and approve the Issue Of Bonus Shares   | For/Against |
| 7. | To approve the upward revision in the remuneration of Mrs. Mithlesh Sharma, Director of the Company | For/Against |

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Signed this.....day of .....2020.

Affix Revenue Stamp
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Signature of shareholder(s)

Signature of Proxy holder(s)

**Notes:**

- 1. This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.**
- 2. For the resolutions, Explanatory Statement and Notes, please refer to the Notice of the Tenth Annual General Meeting.**

ROAD MAP OF  
**RAJNANDINI METAL LIMITED**

