

BOBSHELL ELECTRODES LIMITED

25th Audited Annual Report

FOR THE YEAR 2018 - 19

COMPANY REGISTRATION NO.: 04-023275

CIN NO.: L29308GJ1994PLC023275

Registered with Registrar of Companies, Gujarat State



BOBSHELL ELECTRODES LIMITED

REGISTERED OFFICE

B-505, FAIRDEAL HOUSE, OPP. : ST. XAVIERS' LADIES HOSTEL,
SWASTIK CROSS ROADS, NAVRANGPURA, AHMEDABAD, GUJARAT-380009, INDIA.

Email – bobshellahm@yahoo.in ● Website - www.bobshell.net

Phone No – 079 – 26441025, 26444525 ● Fax – 079 – 26563724

25th ANNUAL REPORT

CIN	:	L29308GJ1994PLC023275
BOARD OF DIRECTORS	:	Shri Shailesh M Joshi Chairman, Managing Director Shri Kamlesh M Shah Independent Director Shri Anish Bodawala Independent Director Smt. Mudraben Pathak Director (Women Director)
REGISTERED OFFICE	:	B-505, Fairdeal House, Opp. ST.Xaviers' Ladies Hostel Swastik Char Rasta, Navrangpura , Ahmedabad- 380009.
ADMINISTRATIVE OFFICE	:	802, 8TH Floor, Swagat Building, Near Lal Bunglow, C.G.Road, Ellisbridge, Ahmedabad- 380006.
PLANT	:	496, Bhagya Laxmi Industrial Estate, Manpasand Weight Bridge, Santej Rakanpur, Sola Santej, Gandhinagar-382721.
AUDITORS	:	ANA & ASSOCIATES. Chartered Accountants 4th Floor, Galaxy Line, Behind Samartheshwar Mahadev Temple, Law Garden, Ahmedabad, Gujarat 380006.
BANKERS TO THE COMPANY	:	1. Union Bank of India, Industrial Finance Branch, Ahmadabad 2. State Bank of Saurashtra, Sikka 3. Dena Bank, Wanakbori 4. Bank of Baroda, Dhuvaran 5. Bank of Baroda, Ukai

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Shareholders are requested to bring their copies of Annual Report at the Annual General Meeting as the same will not be distributed in the Meeting Hall.

NOTICE

Notice is hereby given that the 25th Annual General Meeting of the members of Bobshell Electrodes Limited will be held on the Saturday, 07th day of September 2019 at 11:30 A.M. at the 802, Swagat Building, Near Lal Bunglow, C.G. Road, Ahmedabad- 380006 to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March 2019, Statement of Profit & Loss for the financial year 2018-19 and the Reports of Board of Directors and the Auditors thereon.
2. To Re-appoint Shailesh M. Joshi as Director of the Company, who retires by rotation
3. Ratification of Appointment of Statutory Financial Auditors

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

“RESOLVED THAT pursuant to section 139 and all other applicable provisions, if any of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, as amended from time to time, the Company do hereby ratifies the appointment of M/s ANA & Associates., Chartered Accountants, (FRN – 130797W) as Financial Statutory Auditors of the Company for the financial year commencing from 2018-19 and to hold the office as such from the conclusion of 25th Annual General Meeting till the conclusion of the 26th Annual General Meeting of the Company at such remuneration and reimbursement of out of pocket expenses if any, as may be mutually decided between Board of Directors of the Company and Auditors for each of the financial year separately on year to year basis.”

SPECIAL BUSINESS

4. **Increase in Remuneration of Managing Director:**

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

“RESOLVED THAT pursuant to provisions of Sections 197, 198 and 203 read with Schedule V and other applicable provisions, if any, of the Companies Act 2013, (including any statutory modifications or re-enactment thereof, for the time being in force), subject to approval of the members by way of Special Resolution in the General Meeting and subject to approval of the Central Government, if necessary and such other consents and permission as may be necessary, and subject to such modifications as may be approved and

acceptable to the appointee, the consent of the board of Directors be and is hereby accorded for increase in remuneration of Mr. Shailesh Manshankar Joshi , Managing Director of the Company from monthly Remuneration of Rs. 3,00,000 /- to Rs.3,50,000/- p.m. (42,00,000/- p.a) as recommended to the Board by the Audit Committee and Nomination and Remuneration Committee. The above remuneration is within the overall ceiling limits as laid down under the provisions of the Companies Act, 2013 and Schedule V of the Companies Act 2013 subject to the condition that the Managing Director may be paid remuneration by way cash or in kind (Other than Securities of the Company), and may be paid either on monthly, quarterly, half yearly, yearly or in any other mode and the remuneration as above fixed may also include with it such of the perquisites, benefits, reimbursement of expenses, retirement benefits, bonuses, performance bonuses, commission on net profits etc or by one or more of any of the above said combinations.

FURTHER RESOLVED THAT Mr. Shailesh M. Joshi, Chairman and Managing director of the Company, be and is hereby authorized to sign the relevant forms using their digital signatures and file the same with the Registrar of Companies in this behalf along with all necessary documents, papers, consent letter etc. and also be further authorized to update all statutory records, registers and to do all other acts, things, deed, sign etc. in this regard.

Item 5. To Regularize the Appointment of Mr. Anishkumar V. Shah as an Independent Non-Executive Director of the Company

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

“RESOLVED THAT pursuant to the provisions of Section 149, 150, 152, 160 and other provisions, if any, applicable to the Company, for the time being in force, of the Companies Act, 2013 read with the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), subject to the provisions of Schedule IV of the Companies Act, 2013, Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Articles of Association of the Company, appointment / change in designation of Mr. Anish Vinodchandra. Shah, holding a valid DIN:00372544 (in respect of whom, the Company has, pursuant to the provisions of Section 160 of the Companies Act, 2013, received a notice in writing along with deposit of requisite amount from a member proposing his candidature for the office of Independent Director) made / done by the Board of Directors at its meeting held on August 01, 2019, be and is hereby approved by the members of the Company for a term of five consecutive

years effective from the date of the Board meeting said above and that Mr. Anish V. Shah shall not be liable to retire by rotation."

"RESOLVED FURTHER that Mr. Shailesh M. Joshi (DIN:01453505), Managing Director is, authorized to do such acts, deeds, things and execute all such documents, undertaking as may be necessary for giving effect to the above resolutions."

Item No. 6: Sale of undertaking under Section 180 (1) (a) of the Companies Act, 2013.

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

"RESOLVED THAT pursuant to the provisions of section 180(1)(a) and other applicable provisions, if any, of the Companies Act, 2013, and the relevant Rules framed there under (including any statutory modification(s) or re-enactment thereof, for the time being in force), and the enabling provisions in the Memorandum of Association and Articles of Association of the Company, approval and consent of the members of the Company be and is hereby granted to the Board of Directors to sell and transfer the fixed assets including land, Building, Plant & Machinery & other assets on as is where is basis situated and lying at 496 Bhagyalakshmi Industrial Estate, Nr. Manpasand Weigh bridge, Rakanpur Road, Village: Santej, Taluka: Kalol, District: Gandhinagar, Gujarat State, India.

"RESOLVED FURTHER that Mr. Shailesh M. Joshi (DIN:01453505), Managing Director is, authorised to do such acts, deeds, things and execute all such documents, undertaking as may be necessary for giving effect to the above resolutions."

THE REGISTER OF MEMBERS AND SHARE TRANSFER BOOKS OF THE COMPANY SHALL REMAIN CLOSED FOR THE PURPOSE OF 25TH ANNUAL GENERAL MEETING FROM 30TH AUGUST, 2019 TO 07TH SEPTEMBER, 2019 (BOTH DAYS INCLUSIVE)

NOTES

1. A member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of him/herself and proxy need not be a member. The proxies to be effective should be deposited at the registered office of the company not later than 48 hours before the commencement of the meeting.

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

2. For the convenience of members, an attendance slip is annexed to the proxy form. Members are requested to affix their signature as registered with the company at the space provided therein and handover the Attendance Slip at the entrance to the place of the Meeting.
3. Corporate Members intending to send their authorized representatives to attend the Meeting are requested to send to the company a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the meeting.
4. A statement pursuant to Section 102 (1) of the Companies Act, 2013, relating to the special business to be transacted at the meeting annexed hereto.
5. Members/ Proxies are requested to bring their attendance slip to the meeting.
6. In case of joint holder attending the meeting, only such joint holder who is higher in the order of names will be entitled to vote.
7. Relevant documents referred to in the accompanying Notice and the statement is open for inspection by the members at the Registered Office of the Company on all working days, except Saturdays during business hours up to the date of the Meeting.
8. Members are requested to address all correspondence to the Registrar and Transfer Agents (RTA): Bigshare Services Private Limited A – 802, 8th Floor, Samudra Complex, Near Klassic Gold Hotel, Off C. G. Road, Ahmedabad – 380006, Gujarat, India.
9. Members holding shares in electronic form are requested to intimate immediately any change in their address or bank mandates to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form are requested to advise any change in their address and bank mandates immediately to the Company/ RTA.
10. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN in their Depository Participant with whom they are maintaining their Demat accounts, members holding shares in physical form can submit their PAN to the Company RTA.
11. Members who have not registered their e-mail address so far are requested to register their e-mail address for receiving all communication including Notices, Circulars, etc. from the Company electronically.

12. The Notice of the Annual General Meeting and Annual Report of the Company for the year ended 31st March, 2018 is uploaded on the Company's website www.bobshell.net and may be accessed by the members and also on the website of the Bombay Stock Exchange Ltd. www.bseindia.com.
13. The Company has implemented the 'Green initiative' as per Circular Nos. 17/2011 dated 21 April 2011 and 18/11 dated 29 April 2011 issued by the Ministry of Corporate Affairs (MCA) to enable electronic delivery of the notices/ documents. The email addresses indicated in your respective Depository Participant (DP) accounts are being periodically downloaded from NSDL/CDSL and will be deemed to be your registered email address for serving notices/ documents including those covered under Section 136 of the Companies Act, 2013 (Corresponding provisions of Section 219 of the Companies Act, 1956). Members may also note that the notice of the Annual General Meeting will also be available on the website of the Company, www.bobshell.net for download. Members holding shares in physical mode are also requested to update their email addresses by writing to the RTA of the Company.
14. In compliance with the provisions of Section 108 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014, and Regulation 44 of the SEBI (LODR) Regulations, 2015, the Company is providing e-Voting facility as an alternative mode of voting which will enable the Members to cast their votes electronically. The instructions for e-voting are enclosed herewith.

Instructions for e-voting:

In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014 read with Regulation 44 of the SEBI (LODR) Regulations, 2015, the Company is pleased to provide members facility to exercise their right to vote at the 25th Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services provided by Central Depository Services (India) Limited (CDSL):

The instructions for shareholders voting electronically are as under:

- (i) The voting period begins on **04.09.2019 at 09.00 a.m. and ends on 06.09.2018 at 5.00 p.m.** The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) The cut-off date for determining the eligibility of shareholders to exercise remote e-voting rights and attendance at Annual General Meeting (AGM) is Wednesday, September 05th, 2018. A person, whose

name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the Depositories as on cut-off date, shall be entitled to avail the facility of E-voting or voting at the meeting through ballot paper. The voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date. A person who is not a Member as on the cut-off date should treat this Notice for information purpose only.

- (iii) M/s. J. D. KHATNANI & ASSOCIATES a Proprietor of Mr. Jay Khatnani, Practicing Company Secretary, (Membership No. A50727 and COP No. 18421) (Address: 801-A, Mahalay Complex, Opp: Hotel President, B/h. Fairdeal House, Swastik Cross Roads, Navrangpura, Ahmedabad: 380 009, Gujarat, India, has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
- (iv) The Scrutinizer shall within a period not exceeding three (3) working days from the conclusion of the e-voting period unblock the votes in the presence of at least two (2) witnesses not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favor or against, if any, forthwith to the Chairman of the Company.
- (v) The shareholders should log on to the e-voting website www.evotingindia.com.
- (vi) Click on Shareholders.
- (vii) Now Enter your User ID
- For CDSL: 16 digits beneficiary ID,
 - For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (viii) Next enter the Image Verification as displayed and Click on Login.
- (ix) If you are holding shares in Demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- (x) If you are a first time user follow the steps given below:

For Members holding shares in Demat Form and Physical Form

PAN	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both Demat shareholders as well as physical shareholders)
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BOBSHELL ELECTRODES LIMITED

	<ul style="list-style-type: none"> Members who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number which is printed on Postal Ballot / Attendance Slip indicated in the PAN Field.
Dividend Bank Details or Date of Birth (DOB)	<p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.</p> <ul style="list-style-type: none"> If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).

- (xi) After entering these details appropriately, click on "SUBMIT" tab.
- (xii) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (xiii) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xiv) Click on the EVSN for the Bobshell Electrodes Limited on which you choose to vote.
- (xv) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xvi) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xvii) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xviii) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xix) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.

- (xx) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xxi) Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Please follow the instructions as prompted by the mobile app while voting on your mobile.
- (xxii) Note for Non – Individual Shareholders and Custodians
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
 - The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favor of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com

Date : 12th July, 2019
Place : Ahmedabad

By order of the
Board of Directors of
Bobshell Electrodes Limited

Registered Office:
B-505, Fairdeal House,
Opp. ST. Xavier's
Ladies Hostel
Swastik Char Rasta,
Navrangpura,
Ahmedabad- 380009.

Sd/-
Shailesh M. Joshi
Chairman &
Managing Director
(DIN: 01453505)

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013 AND THE RULES FRAMED THEREUNDER**ITEM NO.4****To Increase Remuneration Mr. Shailesh M Joshi, Managing director of the company**

Mr. Shailesh. M. Joshi is a Main Promoter and Director of the Company. He is also the Managing Director of the Company. The Company has registered growth during the past years. Considering the progress made by the Company under his leadership the industry benchmarks for the remuneration for similar position, the Board of Directors at its meeting held on 30th May, 2019, on the recommendation of Nomination and Remuneration Committee, approved the revision in remuneration payable to Mr. Shailesh M. Joshi, Managing Director of the Company w.e.f. 1st June, 2019.

The Board of Directors recommends the resolution at Item No.4 of this Notice for your approval.

None of the Directors, Key Managerial Personnel and relatives thereof other than Mr. Shailesh M. Joshi have any concern or interest, Financial or otherwise, in the resolution at item No. 4 of this Notice.

ITEM NO.5**Item 5: Appointment of Mr. Anishkumar V Shah as an Independent Non-Executive Director of the Company.**

Mr. Anishkumar Vinodchandra Shah (DIN:00372544) was appointed as an Additional Independent Non-Executive Director of the Company pursuant to the provisions of Sections 149 and 160 of the Companies Act, 2013 by the Board of Directors on 1st August 2019. As per law he holds the office as such only up to the date of the ensuing Annual General Meeting. Hence, a Resolution for the purpose of regularizing his appointment as Independent Non-Executive Director of the Company is proposed to be passed at the ensuing AGM.

Mr. Anishkumar Shah is a Commerce graduate. He possesses wide knowledge in various fields including finance, marketing and Various other Legal areas. He has rich experience if more than 20 years in the same field.

In the opinion of the Board, Mr. Anishkumar Shah fulfils the conditions for appointment of Independent Director as specified in the Act and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('the Listing Regulations, 2015') and is independent of the management.

The Board of Directors at its meeting held on 01ST August, 2019, on the recommendation of the Nomination and Remuneration Committee and based on the performance evaluation, considers that given his background and experience and contributions made by him during his tenure, the association of Mr. Anishkumar Shah would be beneficial to the Company and it is desirable to appoint Mr. Anishkumar Shah as an Independent Director of the Company w.e.f 01st August, 2019. Copy of the draft letter of appointment of Mr. Anishkumar Shah setting out the terms and conditions of appointment are available for inspection without any fee by the members at the Corporate Office of the Company. The details of Mr. Anishkumar Shah as required under the provisions of Regulation 36(3) of the

Listing Regulations, 2015 and other applicable provisions are provided in Annexure - A to this Notice. The Board of Directors recommends the resolution at Item No. 5 of this Notice for your approval. None of the Directors, Key Managerial Personnel and relatives thereof except Mr. Anishkumar Shah, has any concern or interest, financial or otherwise, in the resolution at Item No. 5 of this Notice.

ITEM NO. 6**Sale of undertaking under Section 180 (1) (a) of the Companies Act, 2013.**

In the year 1996, The Company had started with the manufacturing of welding rods at its existing unit located at 496 Bhagyalakshmi Industrial Estate, Nr. Manpasand Weigh bridge, Rakanpur, Santej. The plant and Machinery located at the unit are 26 yrs. old, the life of same has exhausted. Also the existing land will pass through a TP Scheme which makes the Board to shift its plant to a new place, with a bigger land area and new machinery which can also help in the expansion of existing Business.

Members of the Company are further requested to note that Section 180 (1)(a) of the Companies Act, 2013 mandates that the Board of Directors of a company shall exercise the power to sell, lease or otherwise dispose of the whole or substantially the whole of any undertaking(s) of the company, only with the approval of the members of the Company by way of a special resolution. Explanation

(i) to Section 180(1) (a) of the Companies Act, 2013 states that the meaning of an 'undertaking' for the purposes of Section 180(1) of the Companies Act, 2013 is an undertaking in which the investment of the company exceeds twenty percent of its net worth as per the audited balance sheet of the preceding financial year or an undertaking which generates twenty percent of the total income of the company during the previous financial year. Explanation (ii) to Section 180 (1)(a) of the Companies Act, 2013 states that the meaning of 'substantially the whole of the undertaking' for the purposes of Section 180(1) is in any financial year, twenty percent or more of the value of the undertaking as per the audited balance sheet of the preceding financial year.

Accordingly, pursuant to Section 180(1)(a) of the Companies Act, 2013, members of the Company are further requested to note that their consent to the Board is being sought by way of a Special Resolution to sell and transfer, the Fixed assets including land Building Plants & Machinery & other assets at 96 Bhagyalakshmi Industrial Estate, Nr. Manpasand Weigh bridge, Rakanpur, Santej.

Date : 12th July, 2019
Place : Ahmedabad

By order of the
Board of Directors of
Bobshell Electrodes Limited

Registered Office:
B-505, Fairdeal House,
Opp. ST. Xaviers'
Ladies Hostel
Swastik Char Rasta,
Navrangpura,
Ahmedabad- 380009.

Sd/-
Shailesh M. Joshi
Chairman &
Managing Director
(DIN: 01453505)

BOBSHELL ELECTRODES LIMITED**DETAILS OF THE DIRECTORS SEEKING RE-APPOINTMENT IN THE 24th ANNUAL GENERAL MEETING OF THE COMPANY PURSUANT TO REGULATION 36(3) OF SEBI (LODR) REGULATIONS, 2015**

Name of Director	ANISHKUMAR SHAH (DIN: 00372544)
Date of Birth	07/11/1965
Date of Appointment	30.08.2019
Relationship with other Directors Inter se	None
Profile & Expertise in Specific functional Areas	Corporate Consulting into various sectors
Qualification	B.Com
No. of Equity Shares held in the Company	NIL
List of other Companies in which Directorships are held	1. ORIENT TRADELINK LIMITED
List of committees of Board of Directors (across all other Companies) in which Chairmanship/ Membership is held	N.A.

DIRECTORS' REPORT

Dear Members,

Your Directors present 25th Annual Report on the operations and performance together with the Audited Financial Statements for the year ended on 31st March 2019.

FINANCIAL HIGHLIGHTS

(Amt in Rs.)

PARTICULARS	FOR THE YEAR ENDED ON 31/03/2019	FOR THE YEAR ENDED ON 31/03/2018
Net Revenue from Operations	3,81,69,365.55	33154757.74
Other Income	8,57,020.44	1013349
Total Income.	3,90,26,385.99	34168106.74
Total Expenses	40090142.02	34004460.83
Profit Before Tax	(2119371.03)	(1068950.09)
Depreciation	1055615	1232596
Adjustment For Tax	0	0
Provision for FBT.	0	0
Profit / (Loss) After Tax.	(2286315.72)	(1004873.09)
Deferred Tax (Assets) Liability	(166944.69)	(64077)
Net Profit / (Loss) for the Year	(2286315.72)	(1004873.09)
Earnings Per Share (In Rupees)	(0.38)	(0.17)

OPERATIONAL OVERVIEW

During the year under review Net Turnover of the Company has increased from Rs. 3, 31, 54,757.74/- to Rs 3,81,69,365.55. /- as compared to previous year's turnover. As compare to the previous year, company has incurred a net loss of Rs. 2286315.72/-.

DIVIDEND

The Board wants to plough back the profits in the business and therefore the Directors have not recommended dividend for the financial year 2018-19..

RESERVES

The company due to insufficient profits will be unable to transfer the funds to Reserves during the current year.

TRANSFER OF UNPAID / UNCLAIMED DIVIDEND

The Company does not have any amount of Unpaid / Unclaimed Dividend as mentioned under section 124 of the Companies Act, 2013 which is required to be transferred as per the Section 125 of the Companies Act, 2013 to the Investors Education & Protection fund and as required under provisions of the applicable laws.

BUSINESS ACTIVITY

The Company is engaged in the business of manufacture of Low Heat Input Welding Electrodes since October 1994.

The company has the most modern manufacturing facilities to produce least Defect Electrodes. All the facilities required to produce quality electrodes are there under one roof. There was no change in the nature of any of the business activity during the year.

FIXED DEPOSIT

The Company has not accepted any public deposit during the year under review and no amount against the same was outstanding at the end of the year.

REGULATORY STATEMENT

In conformity with provision of Regulation 34 in the SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015, the Cash Flow Statement for the year ended 31.03.2019 is annexed hereto. The equity shares of the Company are listed on the Bombay Stock Exchange Ltd (BSE).

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

As required under Section 134 (3) (m) of the Act read with Rule 8 of The Companies (Accounts) Rules, 2014, particulars relating to conservation of Energy, R & D, Technology absorption and foreign Exchange earnings / outgo are separately provided in the Annexure – A to this report.

DETAILS OF RELATED PARTIES TRANSACTIONS PURSUANT TO SECTION 188(1) OF THE COMPANIES ACT, 2013

The Company entered into related party transactions were on an arm's length basis and in ordinary course of business. Accordingly, disclosure of related party transactions as required under S. 134 (3)(h) of the Companies Act, 2013 in Form AOC – 2 is attached in Annexure – B.

Regarding Performance Review of each of the member of the Board and also the performance of the various Committees and the Board, the Company has adopted the Model Code of Conduct for Independent Directors, Key Managerial Personnel as prescribed in Schedule IV to the Companies Act, 2013 and also as prescribed in the SEBI (Insider Trading) Regulations. The Company strictly follows the procedure to obtain necessary timely declarations from each of the directors and key managerial personnel from time to time.

SIGNIFICANT MATERIAL ORDERS PASSED BY THE COURT OR REGULATORS

There are no significant orders passed by the Regulators/ Courts which would impact going concern status of the Company and its future operations.

DETAILS OF LOANS, GUARANTEES AND INVESTMENTS U/S 186 OF THE COMPANIES ACT, 2013

During the year under review the Company has not made any inter corporate loans, investments, given any corporate

guarantee to any other body corporate, subsidiary, associate or any other company.

EMPLOYEE STOCK OPTION SCHEME

The Company has not issued Employee Stock Option.

CORPORATE GOVERNANCE

The Company's Total paid up equity share capital is less than Rs. 10 crores and its total Net worth is less than Rs. 25 crores, Hence, the Company is being treated as Small Company and as such as per SEBI (LODR) 2015 Regulation Number: 15(2) your company is exempt from making compliance with Regulations No. 17 to 27, Clause- B to I of Sub Regulation 2 of Regulation 45 and Para C, D and E of Schedule V. Accordingly, except the statement on "Management Discussion and Analyses Report," your Directors have though formed the sub Committees of the Board as per requirements of Corporate Governance and they are operational, however, no detailed Report on Compliance with Conditions of Corporate Governance report are given here with. The Company is exempted from providing report on Corporate Governance in accordance with regulation 34(3) and schedule V(C) to the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015.

BOARD OF DIRECTORS

Details about the Board of Directors Meetings are attached to the Report on Corporate Governance.

Shri Shailesh M. Joshi, will be the Director retiring and he offers himself for reappointment at the ensuing Annual General Meeting.

Shri Anish Kumar Shah (Independent Director) will be reappointed for next five years in the ensuing Annual General Meeting.

The Company has received declarations from all the Independent Directors of the Company confirming that they meet with the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Companies Act, 2013 and under Regulation 25 of the SEBI (LODR) Regulations, 2015 with the Stock Exchanges.

DECLARATION BY INDEPENDENT DIRECTORS:

(Pursuant to Provisions of section 149(6) OF the Companies Act 2013)

All the Independent Directors of the Company do hereby declare that:

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| <p>(1) All the Independent Directors of the Company are neither Managing Director, nor a Whole Time Director nor a Manager or a Nominee Director.</p> <p>(2) All the Independent Directors in the opinion of the Board are persons of integrity and possesses relevant expertise and experience.</p> <p>(3) Who are or were not a Promoter of the Company or its Holding or subsidiary or associate company.</p> | <p>(4) Who are or were not related to promoters or directors in the company in terms of S.2 (77) of the Companies Act, 2013, its holding, subsidiary or associate company.</p> <p>(5) Who has or had no pecuniary relationship with the company, its holding, subsidiary or associate company or their promoters or directors, during the two immediately preceding financial years or during the current financial year.</p> <p>(6) None of whose relatives has or had pecuniary relationship or transaction with the company, its holding, subsidiary, or associate company, or their promoters, or directors, amounting to two per cent or more of its gross turnover or total income or fifty lakhs rupees or such higher amount as may be prescribed, whichever is lower, during the two immediately preceding financial years or during the current financial year,</p> <p>(7) Who neither himself, nor any of his relatives,</p> <p>(a) Holds or has held the position of a key managerial personnel or is or has been employee of the company or its holding, subsidiary or associate company in any of three financial years immediately preceding the financial year in which he is proposed to be appointed.</p> <p>(b) Is or has been an employee or proprietor or a partner, in any of the three financial years immediately preceding the financial years in which he is proposed to be appointed of</p> <p>(i) A firm of auditors or company secretaries in practice or cost auditors of the company or its holding, subsidiary or associate company; OR</p> <p>(ii) Any legal or a consulting firm that has or had any transaction with the company, its holding, subsidiary or associate company amounting to ten per cent, or more of the gross turnover of such firm; OR</p> <p>(iii) Holds together with his relatives two per cent, or more of the total voting power of the company; OR</p> <p>(iv) Is a Chief Executive or director, by whatever name called, or any non-profit organization that receives twenty five per cent or more of its receipts from the Company, any of its promoters, directors or its holding, subsidiary or associate company or that holds two per cent or more of the total voting power of the company; OR</p> <p>(v) Who possesses such other qualifications as may be prescribed.</p> |
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