

ANNUAL REPORT

2012-13



MetroGlobal Limited



CHAIRMAN MESSAGE 2013

MEETING CHANGE WITH CHANGE. INTEGRATION OF DIVERSITY

Your company has started with diversified activities that promise the scope for successful performance in the dynamic and competitive environment of the future.

During the year under review, Company has three diversified segments in the year: Dyes and Dyes Intermediates, Realty & Infrastructure and Trading and Finance Business.

As markets are becoming increasingly and globally competitive, it is imperative to plan and prepare well to cope up with the challenges and to have a strategic vision and professional implementation that is flexible to match the demands of rapidly changing scenarios and situations.

This diverse portfolio offers the company of becoming aware and alert to the opportunities that arise and take suitable steps with agility to managing overall resources to receive meaningful returns.

The task ahead is challenging, especially with the possibility of global slowdowns and volatile markets, but with the positive change already obtained, as can be seen, there is room for optimism about the ability of your company to overcome hurdles successfully.

In the year under consideration: **Revenues have gone up, made Profits, Listing approval received from BSE.**

The revenue from operations of the company from the various segment was ₹ 19669.63 lacs for the year 2012-13 as against the turnover of ₹ 14533.06 lacs during the year 2011-12.

Company earned net profit of ₹ 2151.82 lacs during the year 2012-13 as against the net profit of ₹ 2183.22 lacs during the year 2011-12

Such turnaround is never possible without the combination of vision, determination, and hard work of a talented, capable and dedicated team that your company is fortunate to have. It also indicates the heights to which your company can reach in the future.

I would like to take this opportunity to express my heartfelt thanks to several persons who individually and collectively guided and supported me in this transitional phase – my board of directors, the entire professional team of managers and other staff, associates, suppliers, distributors, bankers and customers who have shown that they all believe in the potential and value of your company.

It is with this valuable team that I am encouraged to move in a new direction with confidence and energy to take the company forward to reach high levels of performance and recognition.

8th August, 2013



Gautam M. Jain



METROGLOBAL LIMITED

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**METROGLOBAL LIMITED**

| | |
|---|---|
| BOARD OF DIRECTORS | : Mr. Gautam M. Jain Chairman & Managing Director Mr. Rahul G.Jain Executive Director Mr. Sandeep S.Bhandari Independent Director Mr. Nilesh R.Desai Independent Director |
| COMPANY SECRETARY & COMPLIANCE OFFICER | : Mr. Nitin S. Shah |
| AUDITORS | : M/s AMPAC & Associates, Chartered Accountants, Mumbai |
| REGISTERED OFFICE | : 101, 1 st Floor, "Mangal Disha", Near Guru Gangeshwar Temple, 6 th Road, Khar (West), Mumbai-400052, Maharashtra, (India) |
| CORPORATE OFFICE | : 5th Floor, 508-509, "SHILP " Building, Opp: Girish Cold Drinks, C.G.Road, Navrangpura, Ahmedabad-380009 |
| WORKS | : (1) Metroglobal Limited (Unit I) Plot No: A-472-475, & 489-492 , Phase II, GIDC, Vatva, Ahmedabad-382445 (2) Metroglobal Limited (Unit II) Plot No: A1-407, & A2-408 , Phase II, GIDC, Vatva, Ahmedabad-382445 |
| SHARE TRANSFER REGISTRAR | : Metroglobal Limited Sharex Dynamic (India) Pvt.Ltd. Unit No-1, Luthara Ind. Premises, Andheri Kurla Road ,Safed pool, Andheri (E), Mumbai 400 072 |



NOTICE

NOTICE is hereby given that the **TwentyFirst Annual General Meeting** of the Shareholders of the MetroGlobal Limited will be held on **Saturday, 28th September, 2013** at 11.30 a.m. Hotel Royal Inn, Opp: Khar Telephone Exchange, Khar (West), Mumbai-400052 to transact the following business :

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2013 and Statement of Profit and loss account for the financial year ended on 31st March, 2013 together with the reports of the Board of Directors and the Auditors thereon.
2. To Declare dividend on Equity Shares.
3. To appoint M/s. AMPAC & Associates, Chartered Accountants, Mumbai, the retiring Auditors as the Statutory Auditors of the Company to hold office from the conclusion of this annual general meeting until the conclusion of the next annual general meeting at the remuneration to be fixed by the Board of Directors.
4. To appoint a Director in place of Mr Sandeep S.Bhandari who retires by rotation and being eligible, offers himself for reappointment.

Registered Office :

101, 1st Floor, "Mangal Disha",
Near Guru Gangeshwar Temple,
6th Road, Khar (West),
Mumbai-400052, Maharashtra, (India)
Date : 8th August, 2013

By the Order of the Board
Sd/-

Nitinkumar S.Shah
Company Secretary

NOTES :

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXIES IN ORDER TO BE EFFECTIVE MUST BE RECEIVED BY THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE MEETING.
2. The Register of Members and Share Transfer Books of the Company will be closed from 23rd September, 2013 to 27th September, 2013 (both days inclusive).
3. Members/proxies should bring the enclosed attendance slip duly filled in for attending the meeting along with the annual report.
4. Members desirous of obtaining any information, concerning the accounts and operations of the company, are requested to send their queries to the company at least seven days before the meeting, so that the information required by the members may be made available at the meeting.
5. Members are requested to bring their copy of the annual report and the attendance slip duly filled in with them at the annual general meeting.
6. Please intimate the changes, if any, in your registered address, to the Company's Registrar & Share Transfer Agent at the following address:-
Sharex Dynamic (India) Pvt. Ltd.
Unit: Metroglobal Limited
Unit No-1, Luthara Ind. Premises,
Andheri Kurla Road , Safed pool,
Andheri (E), Mumbai 400 072
7. In terms of Section 205A and 205C of the Companies Act, 1956, any dividend remaining unclaimed of Metrochem Industries Limited, merged with Metroglobal Limited (Formerly Known as Global Boards Limited) for a period of seven years from the due date of payment is required to be transferred to the 'Investors' Education and Protection Fund (IEPF). The dividend for the financial year 2005-06 of Metrochem Industries Limited, which remains unclaimed for a

period of seven years, will be transferred by the Company to the IEPF. Members, who have not encashed their dividend warrant so far, for the financial year 2005-2006 and the subsequent years, are requested to make their claims to the office of the Registrars Transfer Agents.

It may be noted that once the unclaimed dividend is transferred to the IEPF as above, no claim shall lie against the Company or the said fund and no payment shall be made in respect of any such claims. Company in terms of requirement of Ministry of Corporate Affairs (MCA) has uploaded the name of the shareholders on the web site of Company and that of MCA (www.mca.gov.in)

8. As required under the Listing Agreement with the Stock Exchanges, the particulars of Directors who are proposed to be appointed / re-appointed are as per attached Annexure 1

Registered Office :

101, 1st Floor, "Mangal Disha",
Near Guru Gangeshwar Temple,
6th Road, Khar (West),
Mumbai-400052, Maharashtra, (India)
Date : 8th August, 2013

By the Order of the Board

Sd/-

Nitinkumar S.Shah
Company Secretary

ANNEXURE 1 TO THE NOTICE

**Details of Directors seeking appointment/reappointment at the forthcoming Annual General Meeting.
(in pursuance of Clause 49 of the Listing Agreement)**

| | |
|---|---|
| Name of Director | Mr.Sandeep S.Bhandari |
| Date of Birth | 19/12/1962 |
| Date of Appointment | 12/11/2011 |
| Qualification Expertise in specific functional areas | MBA Finance, Worked as General manager in Chemical and different Industries. |
| List of Companies in which outside Directorship held | NIL |
| Chairman / Member of the Committee of the Board of Directors of the Company | Chairman of Audit Committee Chairman of Shareholders/Investors Grievance Committee Member of Remuneration Committee |
| Chairman/Member of the Committees of Directors of other Companies in which he is a Director | NIL |

Registered Office :

101, 1st Floor, "Mangal Disha",
Near Guru Gangeshwar Temple,
6th Road, Khar (West),
Mumbai-400052, Maharashtra, (India)
Date : 8th August, 2013

By the Order of the Board

Sd/-

Nitinkumar S.Shah
Company Secretary

IMPORTANT COMMUNICATION TO MEMBERS

The Ministry of Corporate Affairs has taken a "Green Initiative in the Corporate Governance" by allowing paperless compliances by the Companies and has issued circulars stating that service of notice/documents including Annual Report can be sent by e-mail to its members. To support this green initiative of the Government in full measure, members who have not registered their e-mail addresses, so far, are requested to register their email addresses, in respect of electronic holding with the Depository through their concerned Depository Participants.

DIRECTORS' REPORT

DEAR MEMBERS,

Your Directors have pleasure in submitting the Twentyfirst Annual Report together with the Audited Accounts of the Company for the year ended 31st March 2013.

FINANCIAL RESULTS

The highlights of the Financial Results are as under:

(₹ Lacs)

| Particulars | YEAR ENDED 31-03-2013 | YEAR ENDED 31-03-2012 |
|--|--------------------------|--------------------------|
| Net Revenue from operations | 19669.63 | 14533.06 |
| Other Income | 629.17 | 294.13 |
| Total Revenue | 20298.80 | 14827.19 |
| Profit Before Finance Cost & Depreciation & Impairment | 2360.81 | 2278.07 |
| Less: Finance Cost | 99.86 | 86.96 |
| Depreciation & Impairment | 109.13 | 53.40 |
| Profit Before Extraordinary item & Tax | 2151.82 | 2137.71 |
| Extraordinary items | - | - |
| Profit Before Tax | 2151.82 | 2137.71 |
| Payment & Provision for Current Tax | | |
| (1) Current tax | - | - |
| (2) Deferred tax asset/(liability) written off | - | (45.51) |
| (3) Earlier year excess (-) /Short (+) provision for tax | - | - |
| Prior period Expenditure/(Income) | - | - |
| Profit After Tax | 2151.82 | 2183.22 |
| Add: Balance brought forward from the previous year | (14080.88) | (15470.92) |
| Appropriations: | | |
| Transfer to General Reserve | (200.00) | (200.00) |
| Transfer to Debenture Redemption Reserve | - | (300.00) |
| Proposed Dividend on Equity Shares | (310.79) | (252.26) |
| Tax on Dividend | (50.42) | (40.92) |
| Total | (561.21) | (793.18) |
| Balance Carried to Balance Sheet | (12490.27) | (14080.88) |

OPERATIONAL PERFORMANCE

The turnover of the company for the various segments was ₹ 19669.63 lacs for the year 2012-13 as against the turnover of ₹ 14533.06 lacs during the year 2011-12.

Your Company earned net profit of Rs. 2151.82 lacs during the year 2012-13 as against the net profit of ₹ 2183.22 lacs during the year 2011-12.

The management of the company is hopeful for the better performance in the coming years.

DIVIDEND

Your directors pleased to recommend dividend @ 20% ₹ 2/- per Share (Tax Free) on paid up capital of 15539709 equity shares of ₹ 10/- each.

The 787033 Equity Shares issued on 30th May,2013 and listed on 23-07-2013 are also entitled for the dividend.

OJ APPEAL No.27 of 2012 FILED AGAINST REVIEW APPLICATION MISC CIVIL APPLICATION NO.59 of 2010 DISMISSED BY HIGH COURT OF GUJARAT

The Income tax department, Ahmadabad had filed Original Jurisdiction Appeal No: 27 of 2012 against the Order passed by Gujarat High Court in OJ Misc Civil Application No: 59 of 2011 in Company Petition No. 177 of 2010. The above said OJ Appeal is dismissed by Hon'ble Gujarat High Court by their order dated 21st September,2012.

COMMISSIONER OF INCOME TAX-1 FILED COMPANY APPLICATION NO: 451/2012 IN CSP/761/2010 IN BOMBAY HIGH COURT.

The Commissioner of Income tax -1, Mumbai had filed Original Company Application No: 451 in Company Scheme Petition No. 761 of 2010. Passed by the Bombay High Court. The above said Company Application is pending in Hon'ble Bombay High Court.

LISTING & TRADING OF EQUITY SHARES ON BOMBAY STOCK EXCHANGE (BSE) SCRIP CODE : 500159

The Company has received Listing Approval from Bombay Stock Exchange Limited, Mumbai on 9th July, 2012 by their letter No:DCS/AMAL/AK/IP/190/2012-13 and trading permission by their Notice No: 20120801-26 dated 1st August, 2012 subject to revocation of suspension by Bombay Stock Exchange Limited, Mumbai

The BSE has issued Revocation of Suspension of trading of shares by their Notice No: 20121116-14 dated 16th November, 2012 and Company's equity shares are actively traded from 22nd November, 2012 at Bombay Stock Exchange Limited, Mumbai.

SHIFTING OF REGISTERED OFFICE:

During the year under review the company has shifted its registered office from Plot No: C-86, C/o Indian Copper Industries, MIDC, Mahad, Dist. Raigad, Pin-402309 to 101, 1st Floor, " Mangal Disha", Near Guru Gangeshwar Temple, 6th Road, Khar (West), Mumbai-400052.

ISSUE OF EQUITY SHARES ON PREFERENTIAL BASIS ON CONVERSION OF 5268000 UNSECURED CONVERTIBLE DEBENTURES OF ₹ 100/- EACH IN TO 2926667 EQUITY SHARES OF ₹ 10/- EACH AT A PREMIUM OF ₹ 170/- PER EQUITY SHARE.

During the year under review the company has converted 5268000 Unsecured Convertible Debentures each of ₹ 100/- each in to 2926667 Equity Shares of ₹ 10/- each at a premium of ₹ 170/- per Equity Share The Company has received In-Principle approval from BSE by their letter No: DCS/PREF/PS/PRE/966/2012-13 dated March 26, 2013 and Board of directors in their meeting held on 30th March, 2013 allotted 2926667 Equity Shares. The Company has received Listing Approval from BSE by their letter No: DCS/PREF/LP/FIP/112/2012-13 dated May 21, 2013. The BSE has issued trading Notice No: 20130531-15 dated 31st May, 2013. The effective paid up capital of the Company increased from 12613042 to 15539709 Equity Shares.

ISSUE OF EQUITY SHARES ON PREFERENTIAL BASIS ON CONVERSION OF 1416660 UNSECURED CONVERTIBLE DEBENTURES OF ₹ 100/- EACH IN TO 787033 EQUITY SHARES OF ₹ 10/- EACH AT A PREMIUM OF ₹ 170/- PER EQUITY SHARE.

During the current financial year 2013-14 the company has converted 1416660 Unsecured Convertible Debentures each of ₹ 100/- each in to 787033 Equity Shares of ₹ 10/- each at a premium of ₹ 170/- per Equity Share The Company has received In-Principle approval from BSE by their letter No: DCS/PREF/RD/PRE/123/2013-14 dated May 24, 2013 and Board of directors in their meeting held on 30th May, 2013 allotted 787033 Equity Shares. The Company has received Listing Approval from BSE by their letter No: DCS/PREF/RT/FIP/198/2013-14 dated July 09, 2013. The BSE has issued trading Notice No: 20130723-20 dated 23rd July, 2013. The effective paid up capital of the Company increased from 15533709 to 16326742 Equity Shares.

CONSOLIDATED ACCOUNTS

As required under Clause 32 of the Listing Agreement with the Stock Exchanges, audited consolidated financial statements form part of the Annual Report.

SUBSIDIARY COMPANY

In terms of the General Exemption under Section 212 (8) of the Companies Act, 1956 granted by the Ministry of Corporate Affairs vide its circular no.02/2011 dated 8th February, 2011 and in compliance with the conditions enlisted therein, the Audited Statement of Accounts and the Auditors' Report thereon for the financial year ended 31st March, 2013 along with the Reports of the Board of Directors of the Company's subsidiary has not been annexed with the Balance Sheet of your Company.

The Annual Accounts and related documents of the Subsidiary Company shall be made available for inspection at the Registered Office of the Company. The same will also be made available upon request by any member of the Company interested in obtaining the same.

As directed by the said circular, the financial data of the Subsidiary has been furnished under 'Subsidiary Companies Particulars' forming part of the Annual Report. Further Pursuant to Accounting Standard As-21 issued by the Chartered

Accountants of India, Consolidated Financial Statements presented by the Company in this Annual Report includes the financial information of its subsidiaries.

DIRECTORS

Pursuant to the requirement of the Companies Act, 1956 and Articles of Association of the Company, Mr. Sandeep S. Bhandari, director of the Company, retire by rotation and being eligible offer himself for reappointment.

During the year under review Mr.Arvind Bedekar, Mr.G.K.Pillai & Mr.D.K.Singh have resigned from the Board of Directors. Brief resume of the Director proposed to be appointed/reappointed, nature of their expertise and details as stipulated under Clause 49 of the Listing Agreement are provided in the Notice for convening Annual General Meeting forming part of the Annual Report.

FIXED DEPOSITS

During the year under review, the Company has neither invited nor accepted / renewed any deposit from the public within the meaning of section 58A & 58AA of the Companies Act, 1956 and rules made there under and as on March 31, 2013 the Company had no unclaimed deposits or interest thereon due to any depositor.

CORPORATE GOVERNANCE & MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Your Company is committed to focus on good corporate Governance practices in line with emerging standards. Your Company has implemented the mandatory conditions of Corporate Governance as contained in Clause 49 of listing Agreement. Separate Reports on Corporate Governance and Management Discussion and Analysis along with necessary certificates form part of this report.

FORMATION OF VARIOUS COMMITTEES

Details of the various committees constituted by the Board of Directors as per the provisions of the Clause 49 of the Listing Agreement and Companies Act, 1956 are given in the Corporate Governance Report as annexed and forming part of this report.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 217(2AA) of the Companies Act, 1956, your directors place on record a Responsibility Statement, subject to the notes to accounts, stating that :

- i) In the preparation of annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- ii) Accounting policies selected were applied consistently and have made judgments and estimates that are reasonable and prudent ;
- iii) Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- iv) The annual accounts of the Company have been prepared on a going concern basis.

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

The information relating to energy conservation, required to be disclosed under Section 217(1)(e) of the Companies Act, 1956 read with the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988, is set out in the Annexure A forming part of this report.

On account of merger of Metrochem Industries Limited with the Metroglobal Limited (Formerly known as Global Boards Limited) the information relating to energy conservation, required to be disclosed under Section 217(1)(e) of the Companies Act, 1956 read with the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988, is set out in the Annexure A forming part of this report.

PARTICULARS OF EMPLOYEES

Information required to be disclosed u/s 217 (2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975 is not applicable as none of the employee was in receipt of a remuneration of ₹ 5,00,000/- and above per month or ₹ 60,00,000/- and above per annum during the year.

INSURANCE

During the year all insurable interests of the Company including inventories, building, plant & machinery, equipments and others to the extent necessary were adequately insured.

COST AUDIT

During the year under review there was no production of "Dyes" or "Paper" hence Cost Audit as required under Section 233B of the Companies Act, 1956 is not applicable to the company. The company has made application to the Ministry of Company affairs, Cost Audit Branch, New Delhi for Exemption from cost unit for F.Y.2012-13 & F.Y.2013-14.

AUDITORS:

AMPAC & Associates, Chartered Accountants, Mumbai, retire at the conclusion of the forthcoming Annual General Meeting and being eligible have offered themselves for re-appointment.

The company has received letter from them to the effect of their reappointment, if made, would be within prescribed limit under section 224 (B) of the Companies Act, 1956 and that they are not disqualified for reappointment within the meaning of Section 226 of the said Act.

INDUSTRIAL RELATIONS

During the year under review, the industrial relations remained harmonious and cordial. The Directors wish to place on record the unstinted efforts and dedicated services extended by the employees at all levels. With their support the Company looks forward to a brighter future.

ACKNOWLEDGEMENT

The Directors extend their sincere thanks to the Bankers, Central and State Government Authorities, Customers, Shareholders and all other who have been associated with the Company, for their co-operation, continued support and for the confidence reposed in the management of the Company.

For and on behalf of the Board

Sd/-

Gautam M.Jain

Chairman & Managing Director

Place : Ahmedabad

Date : 8th August, 2013

ANNEXURES A TO DIRECTORS' REPORT

Information as required Under Section 217(1)(e) of the Companies Act, 1956 read with the Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1988.

A. CONSERVATION OF ENERGY

The Company is making continuous effort for energy conservation. Effective measures have been taken to monitor generation & consumption of energy during the process of manufacture.

Total energy consumption and energy consumption per unit of production:

From A is annexed.

B. TECHNOLOGY ABSORPTION

Form B is annexed.

C. FOREIGN EXCHANGE EARNINGS AND OUTGO

| | (₹ Lacs) | |
|----------|----------|---------|
| | 2012-13 | 2011-12 |
| Earnings | 317.60 | 619.03 |
| Outgo | 22.17 | 4.98 |

FORM 'A'

A. POWER AND FUEL CONSUMPTION

| | | (₹ Lacs) | |
|-----------------------|--|----------|---------|
| PARTICULARS | | 2012-13 | 2011-12 |
| 1. Electricity | | | |
| a) Purchased | | | |
| Units (kwh/Lacs) | | 0.90 | 1.53 |
| Total Amount (₹ Lacs) | | 8.16 | 12.52 |
| Rate/Unit (₹) | | 9.06 | 8.18 |