annual report 2016-2017

Metroglobal Limited

(CIN No: L21010MH1992PLC069527)

FORM A

Sr No	Particulars	Compliance
1.	Name of the company	**METROGLOBAL LIMITED**
2.	Annual Financial Statements for the Year ended	**31st March , 2017**
3.	Type of Observation	**Unqualified Report**
4.	Frequency of Observation	**Not Applicable to our Company**

For **METROGLOBAL LIMITED,**

Managing Director/CEO

For **METROGLOBAL LIMITED,**

Chief Financial Officer

FOR AMPAC & ASSOCIATES
CHARTERED ACCOUNTANTS
P. B. Sheth
PARTNER

Auditor of the Company

Chairman Audit Committee
C SANDEP S. BHANDARE

Regd. Office : 101, 1st Floor, "Mangal Disha", Nr. Guru Gangeshwar Temple , 6th Road , Khar (West), Mumbai-400052, INDIA.
Corporate Office : 508-509, 'SHILP', C.G. Road, Navrangpura, Ahmedabad 380 009, INDIA.
Phone : 91-79 - 2646 8016, 2646 9150, 2640 3930 **Fax :** 91-79 - 2640 7838
Email : marketing@metroglobal.in **Web :** www. metrogloballimited.com **CIN :** L21010MH1992PLC069527

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Metroglobal Limited

CHAIRMAN'S MESSAGE

STEADY IN DIFFICULTIES AND READY IN OPPORTUNITIES:

When a major storm blows the first objective would be to steadily hold one's own until its impact reduces and a more conducive environment emerges. Subsequent actions are to regroup all resources to tackle the changed situation with renewed energy and skills for creating new opportunities.

While demonetisation has transformed the economic framework to serve broader national objectives, the immediate effects have been different and diverse in many fields. In the short term it shrank the availability of cash and brought a certain hesitancy in business. Some segments like the realty sector that had its own format of transactions were affected more quickly and heavily.

INDUSTRIAL SCENARIO:

The larger perspective indicates the impact on the industrial scenario in which we are operating. India's economic growth is estimated to slow to 7.1 percent in the year 2016-17 ending on March 31 compared to 7.6 percent in 2015-16, the first indicator of the impact of the demonetisation drive. The estimates have been reduced in all the sectors, except for agriculture, which has improved due to the positive monsoon season.

Fortunately even though demonetisation had temporarily slowed down economic activities in the third quarter due to cash crunch it is expected to rebound the growth to 7.6-7.8% in 2017-18. The agricultural sector posted a huge jump in growth as it expanded by 4.9% during 2016-17 compared to dismal growth of 0.7% in the 2015-16.

IMPACT OF DEMONETISATION ON CONSTRUCTION & REALTY SECTOR:

The short-to-medium term effects of demonetisation due to reduced cash transactions will be offset by credit / debit cards and e-Wallets that should come to the rescue. Overall; the domestic consumption story remains intact, with no threat to the overall strength and growth of the Indian retail industry.

There will be minimal impact on large institutionalized players with a solid brand and governance framework. Sales largely driven by the salaried class or investors with limited cash involvement would not suffer. Smaller developers are understandably very concerned right now because many of them have depended on cash transactions. We are very likely to see a clean-up of non-serious players due to this 'surgical strike' on the parallel economy. The impact of RERA will further discipline the industry, which will be good for its health in the long term.

THE COMPANY-STANDING FIRM

Your Company has diversified its business mainly on trading of various items Chemicals, Plastics, Textiles etc. and Realty Business.

The revenue from operations of the company from the various segments was **` 35214** lacs for the year **2016-17** as against the turnover of ` 35920 lacs during the year 2015-16.

Your Company earned net profit of **` 1502.00** lacs during the year **2016-17** as against the profit of ` 1556.00 lacs during the year 2015-16.

Your Company's performance has been restricted during 2016-17 due to demonetisation and its negative impact on industrial growth and also in the Construction and Realty Sector, However management of the company is making sincere efforts for better performance in coming years through more innovative strategies and increased productivity.

THE COMPANY PILLARS

Behind this steady performance story are the efforts of the MetroGlobal team that pushed the limits to take the company forward and higher. I proudly acknowledge their valuable contribution to your company.

The tremendous support in all forms by the Board was the backbone of overcoming hurdles and making progress even in difficult circumstances. Other stakeholders also played an important role in the transformation. I thank them all for their encouragement and backing that make me optimistic and enthusiastic about the future of your company with the confidence to face any challenges with success.

14th August, 2017

Gautam M. Jain

Metroglobal Limited

(CIN No: L21010MH1992PLC069527)

BOARD OF DIRECTORS	:	**Mr. Gautam M. Jain (DIN No: 00160167)** Chairman & Managing Director **Mr. Rahul G. Jain (DIN No:01813781)** Executive Director **Mr. Sandeep S. Bhandari (DIN No: 01379445)** Independent Director **Mr. Nilesh R. Desai (DIN No: 00414747)** Independent Director **Mrs. Krati R. Jain (DIN No: 7150442)** Woman Director
COMPANY SECRETARY & CHIEF FINANCIAL OFFICER	:	**Mr. Nitin S. Shah (M. No. 7088)**
AUDITORS	:	**M/s AMPAC & Associates,** Chartered Accountants, Mumbai
BANKERS	:	**State Bank of India** Law Garden Branch Navrangpura, Ahmedabad - 380 009.
REGISTERED OFFICE	:	101, 1st Floor,"Mangal Disha", Near Guru Gangeshwar Temple, 6th 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
SHARE TRANSFER REGISTRAR	:	**Sharex Dynamic (India) Pvt.Ltd.** Unit : MetroGlobal Limited (CIN No: 21010MH1992PLC069527) Unit No-1, Luthara Ind. Premises, Andheri Kurla Road, Safed pool, Andheri (E), Mumbai 400 072

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.

NOTICE

NOTICE is hereby given that the **Twenty Fifth Annual General Meeting** of the Shareholders of the MetroGlobal Limited will be held on Friday**, 29th September, 2017** at 12.30 p.m. at Conference Hall of The Oriental Residency, Next to Khar Telephone Exchange, P.D. Hinduja Marg, 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, 2017 and Statement of Profit and loss account for the financial year ended on 31st March,2017 together with the reports of the Board of Directors and the Auditors thereon.
2. To Appoint a Director In place of Mr. Nilesh R.Desai (Din No:0414747) who retires by rotation and being eligible, offers himself for reappointment.
3. To ratify appointment of M/s AMPAC & Associates, Chartered Accountants as Statutory Auditors of the Company. and to fix their remuneration.

   To consider and, if thought fit, to pass the following resolutions as an **Ordinary Resolution**:

   "RESOLVED THAT pursuant to the provisions of Section 139 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit And Auditors) Rules, 2014 (including any statutory modification(s) or re-enactments thereof for the time being in force) the Company hereby appoint M/s. AMPAC & Associates, Chartered Accountants, Mumbai (holding Registration NO: FRN112236W) (Membership No:0444062), as Statutory Auditors of the Company to hold office from the conclusion of this meeting until the conclusion of the next Annual General Meeting subject to ratification of their appointment at every Annual General Meeting, on such remuneration as may be decided by the Audit Committee/ Board of Directors of the Company."

Registered Office :
101, 1st Floor,"Mangal Disha",
Near Guru Gangeshwar Temple,
6th Road, Khar (West),
Mumbai-400052, Maharashtra, (India)
Date : 14th August,2017

By the Order of the Board
Sd/-
Nitin S.Shah
Company Secretary

NOTES :

1. A member entitled to attend and vote is entitled to appoint a proxy or, where that is allowed, one or more proxies, to attend and vote instead of himself, and that a proxy need not be a member.
2. Proxies to be effective must be received by the Company not less than 48 hours before the meeting.
3. Pursuant to provisions of Section 105 of the Companies Act, 2013, read with the applicable rules thereon, 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, may appoint a single person as proxy, who shall not act as a proxy for any other member.
4. 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.
5. Only bonafide members of the Company whose names appear on the Register of Members/Proxy holders, in possession of valid attendance slips duly filled and signed will be permitted to attend the meeting. The Company reserves its right to take all steps as may be deemed necessary to restrict non-members from attending the meeting.
6. Members are requested to bring their copies of Annual Report to the Meeting. In order to enable us to register your attendance at the venue of the Annual General Meeting, we request you to please bring your folio number/demat account number/DP ID-Client ID to enable us to give you a duly filled attendance slip for your signature and participation at the meeting.

7. In case of joint holders attending the meeting, only such joint holder who is higher in the order of names will be entitled to vote.

8. The Register of Members and Share Transfer Books of the Company will be closed from 22nd September,2017 to 28th September,2017 (both days inclusive).

   a. 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 2009-10 of Metrochem Industries Limited, if any, which remains unclaimed for a period of seven years, will be transferred by the Company to the IEPF.

   b. 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 names of the shareholders on the web site of Company and that of MCA (www.mca.gov.in)

9. 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.

10. 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

11. 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.

12. Voting through electronic means:-In compliance with the provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies [Management and Administration] Rules, 2014, the Company is providing e-voting facility as an alternative mode of voting which will enable the Members to cast their votes electronically. Necessary arrangements have been made by the Company with Central Depository Services (India) Limited (CDSL) to facilitate e-voting. The detailed process, instructions and manner of e-voting facility are annexed to the Notice.

ANNEXURE 1 TO THE NOTICE

Details of Directors seeking Re appointment at the forthcoming Annual General Meeting.
(in pursuant to Regulation 36(3) of SEBI (Listing Obligations & Disclosure Requirements) Regulation, 2015)

Name of Director	Mr. Nilesh R. Desai (Din No: 0414747)
Date of Birth	06/07/1960
Date of Appointment	12/11/2011
Qualification Expertise in Specific functional areas	Insurance Consultant and Advisor and having vast experience of different industries for more than 25 years
List of Companies in which outside directorship held	Metrochem Capital Trust Limited
Chairman/Member of the Committee of the Board of Directors	Chairman of Audit Committee Chairman of Shareholders/Investors Grievance Committee Member of Remuneration Committee
Chairman /Member of the Committees of other companies in which he is Director	Nil

Registered Office :
101, 1st Floor,"Mangal Disha",
Near Guru Gangeshwar Temple,
6th Road, Khar (West),
Mumbai-400052, Maharashtra, (India)
Date : 14th August,2017

By the Order of the Board
Sd/-
Nitin S.Shah
Company Secretary

INSTRUCTIONS FOR VOTING THROUGH E-VOTING

I. In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide Members the 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).

II. The instructions for members for voting electronically are as under:-

In case of members receiving e-mail:

(i) Log on to the e-voting website www.evotingindia.com

(ii) Click on "Shareholders" tab.

(iii) Now Enter your User ID

a. For CDSL: 16 digits beneficiary ID,

b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,

c. Members holding shares in Physical Form should enter Folio Number registered with the Company.

(iv) Next enter the Image Verification as displayed and Click on Login.

(v) 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.

(vi) 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) · Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the last 8 digits of the demat account/ folio number in the PAN field. · In case the folio number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with folio number 100 then enter RA00000100 in the PAN field.
DOB#	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.
Dividend Bank Details#	Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio. · Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter **the number of shares held by you as on the cut off date** in the **Dividend Bank details field**.

(vii) After entering these details appropriately, click on "SUBMIT" tab.

(viii) Members holding shares in physical form will then reach directly 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.

(ix) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

(x) Click on the EVSN for the relevant <Company Name> on which you choose to vote.

(xi) 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.

(xii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.

(xiii) 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.

(xiv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

(xv) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.

(xvi) If Demat account holder has forgotten the changed password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

- Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to www.evotingindia.com and register themselves as Corporates.
- They should submit a scanned copy of the Registration Form bearing the stamp and sign of the entity to helpdesk.evoting@cdslindia.com.
- After receiving the login details they have to create a user who would be able to link the account(s) which they wish to vote on.
- The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- They should upload a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, in PDF format in the system for the scrutinizer to verify the same.

In case of members receiving the physical copy:

(A) Please follow all steps from sl. no. (i) to sl. no. (xvi) above to cast vote.

(B) The voting period begins on 26-09-2017 at 9.00 a.m. and ends on 28-09-2017 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 22-09-2017 for cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

(C) 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.

(D) The Company has, in compliance with Rule 20 of the (Management and Administration) Rules,2014 appointed Mr. Jatin S. Popat of JSP Associates, Company Secretaries, Membership No: FCS-4047/CP No. 6880 of Mumbai as Scrutinizer (as consented by them to be appointed as scrutinizer) for conducting the electronic process in a fair and transparent manner.

(E) The scrutinizer shall within a period of not exceeding three (3) working days from the conclusion of the e-voting period unlock the votes in the presence of atleast two (2) witness not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favour or against, if any forthwith to the Chairman of the Company.

(F) The results of the voting (e-voting and physical voting) will be announced within 48 hours of the conclusion of 25th Annual General Meeting to be held on 29th September, 2017.

(G) E-voting schedule for Shareholders:

Sr No	E-voting Schedule	Implementation Procedure
1	Business may be transacted by electronic Voting	All Resolutions mentioned in the notice may be transacted by means of electronic voting within the time specified below.
2	The date of completion of sending the notices	The Notice dispatch will be completed 25 days prior to the date of Annual General Meeting
3	The date and time of commencement of voting through electronic means	Tuesday, the 26th September, 2017 at 9.00 a.m. (IST)
4	The date and time of end of voting through electronic means	Thursday, the 28th September, 2017 at 5.00 p.m. (IST)
5	No voting after closing date & Time of electronic voting	E-voting shall not be allowed beyond 5.00 p.m, (IST) on 28th September, 2017.
6.	Website address on which the notice is displayed	www.evotingindia.com
7.	Contact details of the Company and Share Registrar & Transfer Agents of the Company, responsible to address the grievances connected with the electronic voting;	Company: – MetroGlobal Limited Email: nitin.shah@metroglobal.in Share Registrar – M/s. Sharex Dynamic (India) Private Limited Email: :- sharexindia@vsnl.com Contact No.: (022) 2851 5606 / 2851 5644 Fax.: (022) 2851 2885

DIRECTORS' REPORT

To,
The Members,
METROGLOBAL LIMITED
Ahmedabad.

Your Directors have pleasure in presenting herewith their 25th Annual Report on the business and operations of the Company together with the Audited Statements of Accounts of the Company for the year ended on 31st March, 2017.

FINANCIAL SUMMARY OR HIGHLIGHTS/PERFORMANCE OF THE COMPANY (STANDALONE):-

(` Lacs)

Particulars	**2016-17**	2015-16
Turnover for the year	**35214.81**	35919.72
Expenditure for the year excluding Depreciation and Amortization Exp.	**33182.04**	33882.97
Profit before Depreciation, interest and Amortization Exp.	**2032.77**	2078.71
Less: Depreciation and Amortization Exp.	**12.55**	20.98
Interest Expenses	**118.26**	101.73
Profit or Loss after Depreciation and Amortization Exp. Interest But before Tax	**1901.96**	1956.00
Less: Current Tax	**400.00**	400.00
Profit or Loss After Tax	**1501.96**	1556.00

DIVIDEND:-

Due to Implementation of Companies Act-2013 w.e.f. 1st April 2014, the Government of India has issued a guidance Note to set off the prior period loss and then to distribute the dividend vide Notification Number 1/31/2013-clv dated 12/06/2014 to be read with Companies Declaration and Payment of Dividend Amendment Rules-2014 . Considering this Your Company is in a process to set off the prior period losses against the current period profits. In view of this your Directors do not recommend the Dividend.

BRIEF DESCRIPTION OF THE COMPANY'S WORKING DURING THE YEAR/STATE OF COMPANY'S AFFAIR:-

The turnover of the company for the various segments was ` **35214.81** lacs for the year **2016-17** as against the turnover of ` 35919.72 lacs during the year 2015-16.

Your Company earned net profit of ` **1501.96** lacs during the year **2016-17** as against the net profit of ` 1556.00 lacs during the year 2015-16.

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

NO CHANGE IN SHARE CAPITAL

The paid up share capital as on March 31, 2017 stands at ` 1632.67 lacs consisting equity Shares of ` 10/- each with No change as compared to previous year.

ORDERS BY REGULATORS, COURTS OR TRIBUNALS:

ARBITRATION PROCEEDING

Metroglobal limited has filed Arbitration Proceeding against Huntsman International (India) Private Limited, Mumbai for non payment of total Consideration as per the Master Agreement.

Huntsman International (India) Private Limited, Mumbai has filed arbitration case against the Company for alleged violation of representations and warranties as per the Master Agreement. The above said arbitration proceedings are pending before Arbitration Tribunal.

SUBSIDIARY COMPANY:-

The Company has only one subsidiary company namely METROCHEM CAPITAL TRUST LIMITED. 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.

Pursuant to provision of Section 129(3) of the Companies Act, 2013 read with Companies Account Rules 2014, a statement containing salient futures of the Financial Statement of the Companies Subsidiary in Form AOC 1 is attached to the Financial Statement of the Company.