

TWENTY THIRD ANNUAL REPORT 2012-2013 PRESHA METALLURGICAL LIMITED

BOARD OF DIRECTOR

NILESHKUMAR HASMUKLAL KHATRI	- DIRECTOR
KAMLESH THOTHAWALA	- DIRECTOR
RAMANLAL NAGJIBHAI TRIVEDI	- DIRECTOR

AUDITOR

M/S. Y. D. & CO.
Chartered Accountants
LUDHIANA

SHARE TRANSFER AGENT

PURVA SHAREGISTRY (INDIA) PRIVATE LIMITED
Unite No. 9, Shiv Shakti Industrial Estate, Ground Floor,
JR Boricha Marg, Opp. Kasturba Hospital,
Lower Parel (E), Mumbai- 400011,
Ph No: 22-2301 6761 / 8261
Fax No: 22-2301 2517

REGISTERED OFFICE

A/302, MARUTI COMPLEX, NR NATUBHAI CIRCLE,
GOTRI ROAD, VADODARA-390006,
GUJARAT, INDIA

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N O T I C E

NOTICE is hereby given that the **Twenty Third Annual General Meeting** of the Members of **PRESHA METALLURGICAL LIMITED (Formally known as JALAN METALLURGICAL LIMITED)** will be held at the Registered Office of the Company at **A/302, Maruti Complex, Nr. Natubhai Circle, Gotri Road, Vadodara-390006, Gujarat, India** on **Monday, 30th day of September, 2013 at 10.00 A. M.** to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt Audited Balance Sheet as at **31st March, 2013** and the Profit & Loss Account for the year ended on that date and the reports of the Directors' and the Auditors' thereon.
2. To appoint a Director in place of Mr. Ramanlal Nagjibhai Trivedi who retires by rotation and being eligible, offers him-self for re-appointment.
3. To appoint Auditor and to fix their remuneration.

**By Order of the Board
For, PRESHA METALLURGICAL LIMITED**

PLACE: VADODARA

DATE: 31.08.2013

**Sd/-
(NILESH KHATRI)
CHAIRMAN**

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 THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. A PROXY IN ORDER TO BE EFFECTIVE MUST BE RECEIVED BY THE COMPANY AT ITS REGISTERED OFFICE NOT LESS THAN 48 HOURS BEFORE THE TIME SCHEDULED FOR HOLDING THE MEETING.
2. Corporate members intending to send their authorised representatives to attend the Meeting are requested to send to the Company a certified copy of the Board Resolution authorising their representative to attend and vote on their behalf at the Meeting.
3. Members desiring any information on the Accounts are requested to write to the Company at least one week before the meeting, so as to enable the Management to keep the information ready. Replies will be provided only at the meeting.
4. Members are requested to notify the Company of any change in their address (in full) with the postal area pin code number, quoting their folio numbers.
5. The Register of Members and Share Transfer Register of the Company will remain closed from 23rd September, 2013 to 30th September, 2013.
6. M/s. Satellite Corporate Services Private Limited having its registered office at B-203, Sony Apt., Opp. St. Jude's High School, 90Ft Road, Jarimari, Sakinaka, Mumbai-400072, Maharashtra, INDIA are Registrars and Share Transfer Agents for Company's shares in Demat and Physical Form. The members are requested to please ensure that their shares are converted into Demat Form.
7. Additional information as required in terms of paragraph 3 of the Clause 49 of the Listing Agreement on Director seeking re-appointment at the ensuing Annual General Meeting is as under:

Mr. Ramanlal Trivedi is Director of the Company. He has been associated with the Company w.e.f. 1st July, 2011. He is Member of the Audit Committee and Share Transfer and Grievances Committee of the Company. Mr. Ramanlal Trivedi retires by rotation and being eligible offers himself for re-appointment.

DIRECTORS' REPORT

Dear Shareholders,

Your Directors here by present the Twenty Third Annual Report on business and operations of the Company together with the Audited statements of Accounts for the financial year ended on **31st March 2013**.

REVIEW OF OPERATIONS:

During the year under review due to sluggish market condition and financial crisis company faces huge set back. So company not in position to generate any revenue from the operation but due to some fixed cost company posted Net Loss of Rs.361561. The management has taken measures as part of its continuous improvements to strengthen operations and viability.

DIVIDEND:

Your Directors have not declared any dividend during the year under review due to loss incurred.

FIXED DEPOSIT:

The Company has not accepted any deposit from the public pursuant to the provisions of Section 58A of the Companies Act, 1956.

CHANGE OF BOARD OF DIRECTORS:

Mr. Ramanlal Nagjibhai Trivedi Director of the Company is retires by rotation at the ensuing Annual General Meeting and being eligible offer himself for reappointment.

AUDITORS AND AUDITORS' REPORT:

M/s. Y. D. & Co., Chartered Accountants, Ludhiana, Statutory Auditors of the Company, holds office until the conclusion of the ensuing Annual General Meeting and eligible for reappointment.

The observations made by the Auditors' in their Auditors' Report and the Notes on Accounts referred to in the Auditors' Report are self-explanatory and do not call for any further comments.

MANAGEMENT DISCUSSION AND ANALYSIS:

Management Discussion and Analysis forms part of the Annual Report to the shareholders and it includes discussion on matters as required under the provisions of Clause 49 of the listing agreement forming part of this report is annexed herewith. The Audit Committee of the Company has regularly reviewed internal Control System of the company.

PARTICULARS OF EMPLOYEES:

The statement showing particulars of employees under section 217(2A) of the Companies Act, 1956, read with the companies (Particulars of Employees) Rules, 1975, as amended, is not required to be given as there were no employees coming within the purview of this section.

CORPORATE GOVERNANCE REPORT:

Your Company has complied with the requirements of Clause 49 of the Listing Agreement on Corporate Governance. Pursuant to Clause 49 of the Listing Agreement with the Stock Exchanges, Report on Corporate Governance along with the Auditors' Certificate on its compliance is annexed separately to this Annual Report.

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

The details of conservation of energy, technology absorption etc. as required to be given under Section 217(1)(e) of the Companies Act 1956, are not applicable to our Company, as our Company has not carried out any manufacturing activities.

The foreign exchange earning on account of the operation of the Company during the year was Rs. Nil.

DIRECTORS' RESPONSIBILITY STATEMENT:

Pursuant to the provisions of Section 217(2AA) of the Companies Act, 1956, the Directors of your Company confirm that:

- i) in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- ii) the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit or loss of the Company for that period;
- iii) the Directors have taken proper and sufficient care 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) Directors have prepared the accounts on a "going concern basis".

ACKNOWLEDGEMENT:

Your Directors would like to express their sincere appreciation for the assistance and co-operation received from the Banks, Government Authorities, Customers, and Shareholders during the year. Your directors also wish to take on record their deep sense of appreciation for the committed services of the employees at all levels, which has made our Company successful in the business.

**For and on Behalf of the Board
For, PRESHA METALLURGICAL LIMITED**

PLACE: VADODARA

DATE: 31.08.2013

**Sd/-
(NILESH KHATRI)
CHAIRMAN**

Annexure to Director's Report

MANAGEMENT DISCUSSION ANALYSIS REPORT

Outlook:

The company is confident in spite of the possible recessionary conditions in the industry it will perform better in view of the strong fundamentals of the Indian companies and hope to improve its Turnover.

Internal Controls Systems and their adequacy:

The company has adequate internal control systems to ensure operational efficiency, protection and conservation of resources, accuracy and promptness in financial reporting and compliance of law and regulations. The internal control system is supported by the internal audit process. The Internal Auditor reviews and ensures that the audit observations are acted upon. The Audit Committee of the Board reviews the Internal Audit reports and the adequacy and effectiveness of internal controls.

Human Resources

The relationship with the employees continues to be cordial. The Company recognizes the importance and contribution of its employees for its growth and development and constantly endeavors to train nurture and groom its people. The Company puts emphasis on attracting and retaining the right talent. The company places emphasis on training and development of employees at all levels and has introduced methods and practices for Human Resource Development.

Cautionary Statement:

Statements in this Management Discussion and Analysis describing the company's objectives, projections, estimates and expectations may be forward looking statement within the meaning of applicable laws and regulations. Actual results might differ materially from those either expressed or implied.

REPORT ON CORPORATE GOVERNANCE FOR THE YEAR ENDED ON 31ST MARCH, 2013

1. THE CORPORATE GOVERNANCE PHILOSOPHY

Corporate Governance at the Company is by the need to "enhance shareholder value, keeping in view the interests of other stakeholders". This definition places emphasis on the need to strike a balance at all times between the need to enhance shareholders' wealth whilst not being detrimental to other stakeholders' interests. The imperative for Corporate Governance lies not merely in drafting a code of Corporate Governance, but in practicing it to achieve desired results.

2. BOARD OF DIRECTORS

The Board of Directors is having non-executive and independent directors as on 31st March, 2013. The Board of Directors is consisting of Three Directors. The Directors manages the day to day affairs of the Company. Non-executive and independent directors did not have any pecuniary relationship of transactions with the company during the period under review. There are no material transactions where they have had personal interests that conflict with that of the Company.

Numbers of Board Meetings held and the dates on which such meetings were held:

During the financial year 2012-13 the Board met 7 (Seven) times on 04.04.2012, 07.04.2012, 23.05.2012, 03.08.2012, 06.08.2012, 03.11.2012, 02.02.2013. The maximum gap between two meetings was not more than 4 months.

Attendance record of Directors attending the Board meetings and Annual General Meetings

Name of the Director	Designation/ Category	No. of Board Meetings		Last AGM attended
		Held	Attended	
Mr. Ramanlal Trivedi	Non Executive & Independent	7	7	No
Mr. Kamlesh Thothawala	Non Executive & Independent	7	7	Yes
Mr. Nileshkumar Khatri	Executive & Non Independent	7	7	Yes
None of the Director is a member in more than 10 Companies and Act as Chairman in more than 5 Companies across all Companies in which he is a Director.				

3. AUDIT COMMITTEE

The Audit Committee of the Company presently comprises of three Directors being Mr. Nileshkumar H. Khatri, Mr. Ramanlal Nagjibhai Trivedi and Mr. Kamlesh Thothawala. Mr. Nileshkumar H. Khatri is Chairman of the Committee.

The role, terms of reference, authority and powers of the audit committee are in conformity with the requirement of Companies Act, 1956, and Listing Agreement.

Role/ Functions of the Committee:

- Reviewing with management the annual financial statements before submission to the Board.
- Recommending the appointment and removal of external auditors, fixation of audit fee and also approval for payment for any other services.
- Review of policies relating to risk management – operational and financial.
- Reviewing with the management, external auditors and the adequacy of the internal control system.

Powers of the Committee:

- To investigate any activity within its terms of reference.
- To secure attendance of and seek any information from any employee including representative of the prime shareholders (subject to their internal approvals).
- Compliance with accounting standards.
- To obtain outside legal or other professional advice if necessary.
- To secure attendance of outsiders with relevant expertise if it considers necessary.
- Compliance with Stock Exchange and legal requirements concerning financial statements.

Attendance at the Audit Committee Meetings

During the year the Audit Committee met 4 times on 23.05.2012, 06.08.2012, 03.11.2012, 02.02.2013. Attendance of the members is as under:

Name	No. of Meeting attended	
	Held	Attended
Mr. Ramanlal Trivedi	4	4
Mr. Kamlesh Thothawala	4	4
Mr. Nileshkumar Khatri	4	4

4. REMUNERATION COMMITTEE

As neither remuneration nor sitting fee paid to the director as no remuneration Committee has been set up.

5. SHAREHOLDERS TRANSFER AND GRIEVANCES COMMITTEE

This committee consists of three directors namely, Mr. Nileshkumar H. Khatri, Mr. Ramanlal Nagjibhai Trivedi and Mr. Kamlesh Thothawala.

Mr. Kamlesh Thothawala is Chairman of the Committee. The committee was constituted to redress shareholders'/ investors' complaints etc. relating to delay in transfer of shares, non-receipt of annual accounts, delay in balance sheet, split-up share certificate, issue duplicate certificate, transmission of shares, dematerialization of shares etc. relating to the shares issued by the Company. Mr. Kamlesh Thothawala Director of the Company has been authorized by the Board to approve such transfers within the time stipulated under the Listing Agreement. Further the complaints of the above nature are promptly attended by the Compliance Officer. Mr. Kamlesh Thothawala has been appointed as the Compliance Officer of the Company by the Board of Directors.

There is no pending, unsolved complaint of Shareholders of the Company and no pending Share Transfer.

6. GENERAL BODY MEETINGS

Location and time for last 3 years Annual General Meetings:

Financial Year	Location	Date	Time A.M./ P.M.	Particulars of the Special Resolution
2011-12	A/302, Maruti Complex, Gotri Road, Nr. Natubhai Circle, Vadodara -390006	31.08.12	02.00 P.M.	No Special Resolution was passed in the meeting
2010-11	A/302, Maruti Complex, Gotri Road, Nr. Natubhai Circle, Vadodara -390006	15.06.11	01.30 P.M.	No Special Resolution was passed in the meeting
2009-10	A/302, Maruti Complex, Gotri Road, Nr. Natubhai Circle, Vadodara -390006	30.09.10	11.00 A.M.	No Special Resolution was passed in the meeting
No special resolution was required to be carried out through postal ballot during the last year. No resolution is proposed by postal ballot at the ensuing Annual general meeting.				

Location and time where Extraordinary General Meetings were held for last three years:

Financial Year	Location	Date	Time A.M./ P.M.	Particulars of the Special Resolution
2012-13	--	--	--	--
2011-12	A/302, Maruti Complex, Gotri Road, Nr. Natubhai Circle, Vadodara -390006	21.04.2011	01.00 P.M.	- Change of name of company - Increased Authorized Capital - Alteration in MOA & AOA - Issue of Convertible Warrants on Preferential Basis
2010-11	--	--	--	--
The above resolution which was put to vote by show of hands was passed unanimously.				

7. DISCLOSURES

- There are no materially significant related party transactions i.e. transactions of the Company of material natures, with its promoters, the directors or the managements, their subsidiaries or relatives etc., that may have potential conflict with interest of the Company at large.
- No penalties or strictures were imposed on the Company by the Stock Exchange or SEBI or any statutory authority, on any matter related to capital markers, during the last three years.
- The Company has complied with various rules and regulations prescribed by the Stock Exchange and SEBI during the last three years. No penalties or strictures have been imposed by them on the Company.

8. MEANS OF COMMUNICATION

The Company has submitted its quarterly, half yearly and yearly financial results to the Stock Exchanges as well as website of the company immediately after its approval by the Board. The Company did not send the half yearly report to the Shareholders of the Company.

9. GENERAL SHAREHOLDERS INFORMATION

Financial Year	1st April to 31st March
Date and time of Annual General Meeting	Monday, 30th September, 2013 at 10.00 A.M.
Venue of Annual General Meeting	A/302, Maruti Complex, Gotri Road, Nr. Natubhai Circle, Vadodara-390006
Dates of Book Closure	23.09.2013 to 30.09.2013
Listing on Stock Exchange	BSE Limited, Mumbai, ASE Limited, Ahmedabad VSL Limited, Vadodara
Stock Code and Scrip ID	513613 (BSE) and PRESHA MET (BSE) and 25929 (ASE), 312 (VSL)
Demat ISIN No.	INE908L01013
Tentative Calendar for financial year ending 31st March, 2014	
Quarterly Financial Results	Date of Board Meeting
First Quarterly Results	Last week of July, 2013
Second Quarterly Results	Last week of October, 2013
Third Quarterly Results	Last week of January, 2014
Fourth Quarterly Results	Last week of April, 2014

10. CATEGORIES OF SHAREOWNERS AS ON 31.03.2013

Category	No. of Shares Held	Voting Strength (%)
Promoters	Nil	Nil
Resident Individuals	2704053	18.92
Financial Institutions/ Banks	Nil	Nil
Bodies Corporate	11525746	80.66
NRIs/ OCBs	Nil	Nil
Directors Relatives	Nil	Nil
Others (HUF)	60001	0.42
Total	14289800	100.00