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**Z E E**  
**GOLD**



**32<sup>nd</sup> Annual Report 2016-17**

**SHIRPUR GOLD REFINERY LIMITED**



# SHIRPUR GOLD REFINERY LIMITED

(An ISO 9001:2015 Company)

(CIN:L51900MH1984PLC034501)

## CORPORATE INFORMATION

### BOARD OF DIRECTORS

**Amit Goenka**

Non- Executive Chairman

**Anish Goel**

Independent Director

**Manoj Agarwal**

Independent Director

**Kavita Kapahi**

Independent Director

### KEY MANAGERIAL PERSONNEL

**Subhash Pareek**

Manager

**Archita Kothari**

CFO

**Shyamal Padhiar**

Company Secretary

### AUDITORS

**M/s. B. S. Sharma and Co.**

**Chartered Accountants**

303, Guruprabha CHS Ltd.,  
507-508, Sundernagar,  
Senapati Bapat Road,  
Dadar (West), Mumbai 400 028

### REGISTRAR AND SHARE TRANSFER AGENTS

**M/s Link Intime India Pvt.Ltd.**

C 101, 247 Park,  
LBS Marg, Vikhroli (West),  
Mumbai – 400 083.  
Tel : +91 22- 4918 6000  
Fax : +91 22-4918 6060  
E-Mail: [rnt.helpdesk@linkintime.co.in](mailto:rnt.helpdesk@linkintime.co.in)

### BANKERS

ICICI Bank Ltd.

Ratnakar Bank Ltd.

Punjab National Bank Ltd.

AXIS Bank Ltd.

Kotak Mahindra Bank Ltd.

Bank of Maharashtra

State Bank of India Ltd.

### Registered Office & Plant

Refinery Site, Shirpur,  
Dist. Dhule,  
Maharashtra – 425 405

### Corporate Office

18<sup>th</sup> Floor, "A" wing, Marathon Futurex,  
N.M.Joshi Marg, Lower Parel,  
Mumbai – 400 013  
Tel: 022 7108 5486  
Fax: 022 7154 5940  
E-mail: [investorinfo@shirpurgold.com](mailto:investorinfo@shirpurgold.com)  
[www.shirpurgold.com](http://www.shirpurgold.com)

CONTENTS	PAGE NO.
<b>Statutory Reports</b>	
<i>Notice</i>	2
<i>Directors' Report</i>	6
<i>Corporate Governance Report</i>	22
<i>Management Discussion and Analysis</i>	30
<b>Financial Statements</b>	
<i>Standalone</i>	40
<i>Consolidated</i>	61
<i>Attendance Slip and Proxy Form</i>	

## NOTICE

**Notice** is hereby given that the 32<sup>nd</sup> Annual General Meeting of the Equity Shareholders of **Shirpur Gold Refinery Limited** will be held on **Wednesday, 27<sup>th</sup> September, 2017** at 1.30 p.m at the registered office of the Company at Refinery Site, Shirpur, Dist. Dhule, Maharashtra - 425405 to transact the following business:

### ORDINARY BUSINESS:

1. To receive, consider and adopt the audited Financial Statements of the Company on a standalone and consolidated basis, for the financial year ended 31<sup>st</sup> March, 2017 including the Balance Sheet as at 31<sup>st</sup> March, 2017, the Statement of Profit & Loss for the financial year ended on that date, and the Reports of the Auditors and Directors thereon.
2. To appoint a Director in place of Mr. Amit Goenka (DIN: 00017707), who retires by rotation and being eligible, offers himself for re-appointment.
3. To re-appoint M/s. B.S. Sharma and Co., Chartered Accountants, Mumbai, having Firm Registration No. 128249W, as the Statutory Auditors of the Company to carry out Statutory Audit for the Financial Year 2017-18, at a remuneration to be determined by the Board of Directors of the Company.

### SPECIAL BUSINESS:

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

**"RESOLVED THAT** in supersession of the Special Resolution passed by the members at the 31<sup>st</sup> Annual General Meeting held on August 27, 2016 and pursuant to Section 94 of the Companies Act, 2013 (Act) read with Companies (Management and Administration) Rules, 2014 and other applicable statutory / regulatory provisions, all the Registers to be kept and maintained by the Company under Section 88 of the Act including Register of Members / Debenture holders / Other Security-holders, etc., and copies of Annual Returns prepared under Section 92 of the Act together with copies of certificates and documents be kept and maintained at the office of the Company's Registrar and Share Transfer Agents M/s Link Intime India Private Ltd., at C -101, 247 Park, LBS. Marg, Vikhroli (West), Mumbai 400083, instead of the Registered Office of the Company."

By order of the Board  
For **Shirpur Gold Refinery Limited**

Place : Mumbai  
Date : 28<sup>th</sup> April, 2017

**Shyamal Padhiar**  
**Company Secretary**

**Registered Office:**  
Refinery Site, Shirpur, Dist. Dhule,  
Maharashtra - 425 405

### NOTES:

1. A member entitled to attend and vote at the meeting may appoint a proxy to attend and vote on a poll on his behalf. A proxy need not be a member of the Company. A person can act as proxy on behalf of not exceeding fifty Members and holding in the aggregate not more than 10% of the total Equity Share Capital of the Company. Any Member holding more than 10% of the total Equity share capital of the Company may appoint a single person as proxy and in such a case, the said person shall not act as proxy for any other person or member. The instrument appointing proxy should, however, be deposited at the Registered Office of the Company not less than 48 hours before the commencement of the Meeting.
2. Corporate Members are requested to send to the Registered Office of the Company, a duly certified copy of the Board Resolution, pursuant to Section 113 of the Companies Act, 2013, authorising their representative to attend and vote at the Annual General Meeting.
3. Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, relating to the Special Business to be transacted at the Annual General Meeting is annexed.
4. Additional information, pursuant to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, on Directors recommended by the Board for appointment / re-appointment at the Annual General Meeting is annexed to the Notice.
5. Members who are holding Company's shares in dematerialized mode are requested to bring details of their Beneficiary Account Number for identification.
6. Members who wish to obtain information on the Financial Statements for the year ended 31<sup>st</sup> March, 2017, may send their queries at least seven days before the AGM to the Company Secretary at the corporate office of the Company or at Email ID [investorinfo@shirpurgold.com](mailto:investorinfo@shirpurgold.com) so as to enable the management to keep the information ready at the meeting.
7. Electronic Copy of the Annual Report for 2016-17 is being sent to all the members whose email IDs are registered with the Company/Depository Participants(s) for communication. For members who have not registered their email address, physical copies of the Annual Report is being sent in permitted mode. The Annual Report can be accessed at the Company's Website [www.shirpurgold.com](http://www.shirpurgold.com)
8. Members are requested to notify immediately about any change in their address / e-mail address / dividend mandate / bank details to their Depository Participant (DP) in respect of their shareholding in Demat mode and in respect of their physical shareholding to the Company's Registrar and Share Transfer Agent, M/s Link Intime India Pvt. Ltd., at C-101, 247 Park, L.B.S. Marg, Vikhroli West, Mumbai-400 083. Shareholders holding Equity Shares of the Company in physical form may



register their email address with the Registrar and Share Transfer agent of the Company to receive all communications by the Company including Annual Report and Notice of Meeting(s) by email, by sending appropriate communication on [rnt.helpdesk@linkintime.co.in](mailto:rnt.helpdesk@linkintime.co.in).

## 9. E-voting

In compliance with Section 108 of the Companies Act, 2013 read with Companies (Management and Administration) Rules, 2014 and Regulation 44 of the SEBI (LODR) Regulation 2015, the Company is pleased to provide members facility to exercise their right to vote at the 32<sup>nd</sup> Annual General Meeting (AGM) by electronic means. The facility of casting votes by a member using an electronic voting system (remote e-voting) from a place other than venue of the AGM will be provided by Central Depository Services (India) Limited (CDSL) for all the business as detailed in this notice.

The remote E-voting period for all items of business contained in this Notice shall commence from Saturday, 23<sup>rd</sup> September, 2017 at 9.00 a.m. and will end on Tuesday, 26<sup>th</sup> September, 2017 at 5.00 p.m. During this period equity shareholders of the Company holding shares either in physical form or in dematerialised form as on the cutoff date of 21<sup>st</sup> September, 2017, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter. Once the vote on a resolution is cast by any Member, he/she shall not be allowed to change it subsequently.

10. Any person, who acquires equity shares of the Company and become member of the Company after dispatch of the notice and holding shares as of the cut-off date i.e. 21<sup>st</sup> September, 2017 may refer the e-voting instructions annexed to this notice or send their query at [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com). or [rnt.helpdesk@linkintime.co.in](mailto:rnt.helpdesk@linkintime.co.in).
11. The facility for voting by way of Ballot / Poll paper shall also be made available at the venue of the meeting and members, as on the cut-off date, attending the meeting who have not already cast their vote by remote e-voting shall be able to exercise their right at the meeting.
12. The Members who have cast their vote by remote e-voting may also attend the meeting but shall not be entitled to cast their vote again.
13. The voting rights of Members either by way of remote e-voting prior to the meeting or by way Ballot / Poll paper at the meeting shall be in proportion to their equity shareholding in the paid up equity share capital of the Company as on the Cut-off date 21<sup>st</sup> September, 2017.
14. At the AGM, the Chairman of the meeting shall after discussions on all the resolutions on which voting is to be held, allow voting by use of Ballot / Poll Paper by all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.

15. The Company has appointed Mr.K.C.Nevatia, proprietor of M/s K.C.Nevatia & Associates, Practising Company Secretaries as Scrutinizer to conduct remote e-voting process as well as Ballot/Poll Paper voting process at the Annual General Meeting in a fair and transparent manner.
16. The Scrutinizer shall, after the conclusion of voting at the general meeting, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, within 48 hours of the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or Company Secretary, who shall countersign the same and declare the result of the voting forthwith.
17. The results declared along with Scrutiniser's report shall be placed on the website of the Company thereafter and shall also be communicated to the Stock Exchanges. The Resolutions shall be deemed to be passed, if approved, on the date of AGM.
18. The instructions and process for e-voting are as under:

### In case of members receiving e-mail:

- a. Log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com)
- b. Click on 'Shareholders' tab to cast your votes
- c. Select the '**Shirpur Gold Refinery Limited**' from the drop down menu and click on 'SUBMIT'
- d. 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 and then enter the Image Verification Code as displayed and Click on Login.
- e. If you are holding shares in Demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and casted your vote earlier for EVSN of any company, then your existing password is to be used.
- f. If you are a first time user follow the steps given below:

PAN*	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (in Capital) (Applicable for both demat shareholders as well as physical shareholders)
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.

\* 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 sequence number in the PAN field. In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name. Eg. If your name Manoj Kumar with sequence number 1 then enter MA00000001 in the PAN field.

# Please enter any one of the details in order to login. In case either of the details are not recorded with the depository please enter the member id / folio number in the Dividend Bank details field.

- g. After entering these details appropriately, click on 'SUBMIT'.
  - h. Equity Shareholders holding Equity shares in Physical form will then reach directly to the Company selection screen. However Equity Shareholders holding shares in Demat form will now reach 'Password Change' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is also to be used by the Demat holders for voting for resolution 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.
  - i. Equity Shareholders holding shares in physical form can use these details only for e-voting on the resolutions contained in this Notice.
  - j. Click on the relevant EVSN for the relevant [Shirpur Gold Refinery Ltd.] on which you choose to vote.
  - k. On the voting page, you will see Description of Resolution(s) and option for voting Yes/No for voting. Select the option yes or no as desired. The option 'YES' implies that you assent to the resolution & 'NO' implies that you dissent to the resolution.
  - l. Click on the Resolution file link if you wish to view the entire Notice.
  - m. 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.
  - n. Once you 'CONFIRM' your vote on the resolution, you will not be allowed to modify your vote.
  - o. You can also take out print of the voting done by you by clicking on 'Click here to print' option on the Voting page.
  - p. If Demat account holder has forgotten the changed password then enter the User ID and Captcha Code 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 <https://www.evotingindia.com> and register themselves as Corporate.
    - They should submit a scanned copy of the Registration Form bearing the stamp and sign of the entity to [helpdesk.evoting@cdslindia.com](mailto: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](mailto: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 which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same and to be e-mailed to the Scrutinizer through e-mail to [investorinfo@shirpurgold.com](mailto:investorinfo@shirpurgold.com) with a copy marked to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - q. In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com) under help section or write an email to CDSL on [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or to the Investor relations officer of the Company on [investorinfo@shirpurgold.com](mailto:investorinfo@shirpurgold.com)
19. Members are requested to bring their attendance slip along with their copy of Annual Report to the Meeting.
  20. The Register of Members and the Share Transfer Books of the Company will remain closed from Wednesday, 20<sup>th</sup> September, 2017 to Wednesday, 27<sup>th</sup> September, 2017 (both days inclusive) for the purpose of Annual General Meeting.
  21. Members who have not registered their e-mail addresses so far are requested to register their e-mail address for receiving all communication including Annual Report, Notices, Circulars, etc. from the Company electronically.

## EXPLANATORY STATEMENT IN RESPECT OF THE SPECIAL BUSINESS PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013

### Item 4

In compliance with the requirements of Section 94 of the Companies Act, 2013, Members of the Company at the 31<sup>st</sup> Annual General Meeting held on August 27, 2016, had approved a proposal for maintaining the Register & Index of Members / Preference Shareholders, Share Transfer Register and other particulars including Annual Returns and annexures thereto at the office of the Registrar & Share Transfer Agent of the Company M/s Link Intime India Pvt Ltd ('RTA Agent') located at C-13, Pannalal Silk Mills Compound, LBS Road, Bhandup West, Mumbai 400 078, rather than at the Registered Office of the Company.

Since the RTA Agent has shifted its Registered Office to their own premises, approval of Members is sought for maintaining Register & Index of Equity / Preference Shareholders, Share Transfer Register and related details including Annual Returns etc. at the new location at C 101, 247 Park, LBS Marg, Vikhroli (West), Mumbai 400 083.

Section 94 of the Companies Act, 2013, permits the Company to maintain its Registers and Annual Returns at any place other than its Registered Office subject to Members approval by way of a Special Resolution. A copy of the proposed resolution is being forwarded in advance to the Registrar of Companies, Maharashtra, Mumbai, as required under the said Section 94 (1) of the Companies Act, 2013.

Your Board recommends the Special Resolution set out at Item No. 4 of the Notice for approval by the shareholders.

None of the Directors and Key Managerial Personnel of the Company and their relatives is in any way concerned or interested in the resolution

### DETAILS OF DIRECTORS SEEKING APPOINTMENT / RE-APPOINTMENT AT THE ENSUING ANNUAL GENERAL MEETING

Name	<b>Amit Goenka</b>
Age	41 years
Qualification	Graduate in Business Administration
Experience	17 years
Date of Appointment on the Board of the Company	26.04.2011
Nature of expertise in Specific Functional Area	He is one of the promoters of Essel Group and presently CEO, International Broadcast Business, is responsible for spearheading the International Business of Zee Entertainment Enterprises Limited (ZEEL). Under his leadership, ZEEL is taking the right steps to achieve its global ambitions, set for the year 2020. He has an intense knack in identifying, evaluating & pursuing new Business Opportunities and developing Market Strategies for Essel Group. During his 17 years in industry, he has successfully launched a number of new businesses. He is Recipient of Gem & Jeweller Trade Council of India's (GJTIC) Excellence Award for the year 2014 in gold refining sector.
Name of the other Companies in which Directorship held	ATL Media Limited, Mauritius
Name of the other Companies in which He / she is Chairman / member of the Committee	-
No. of shares held of ₹10/- each (including holding of dependents)	-
Relationship between Directors inter-se ( As per Section 2(76) and 2(77) of the Companies Act, 2013	He is Promoter Director but not related with any other Director.

By order of the Board  
For **Shirpur Gold Refinery Limited**

**Shyamal Padhiar**  
Company Secretary

Place : Mumbai  
Date : 28<sup>th</sup> April, 2017

**Registered Office:**  
Refinery Site, Shirpur,  
Dist. Dhule, Maharashtra - 425 405

## DIRECTORS' REPORT

To

The Members of

### SHIRPUR GOLD REFINERY LIMITED

Yours Directors take pleasure in presenting the 32<sup>nd</sup> Annual Report of your Company together with Audited Statement of Accounts for the year ended 31<sup>st</sup> March 2017.

### DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirement under Section 134(3) of the Companies Act, 2013, in relation to the Annual Financial Statements for the Financial Year 2016-2017, your Directors confirm that:

- The Financial Statements of the Company - comprising of the Balance Sheet as at 31<sup>st</sup> March, 2017 and the Statement of Profit & Loss for the year ended on that date, have been prepared on a going concern basis following applicable accounting standards and that no material departures have been made from the same;
- Accounting policies selected were applied consistently and the judgments and estimates related to the financial statements have been made on a prudent and reasonable basis, so as to give a true and fair view of the state of affairs of the Company as at 31<sup>st</sup> March, 2017, and, of the profit of the Company for the year ended on that date; and
- Proper and sufficient care has been taken for maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- Requisite Internal Financial Controls had been laid down and that such internal financial controls are adequate and were operating effectively; and
- Proper systems have been devised to ensure compliance with the provisions of all applicable laws and that systems were adequate and operating effectively.

### FINANCIAL HIGHLIGHTS

The financial performance of your Company for the Financial Year 2016-17 is summarized in the following table:

(₹ in Millions)

Particulars	Standalone – Year Ended		Consolidated – Year Ended	
	31.03.2017	31.03.2016	31.03.2017	31.03.2016
Total Revenue	17,069	38,993	49,558	39,529
Total Expenses	16,685	38,175	49,071	38,767
Operating Profit	384	818	487	763
Finance Cost	232	547	346	578
Depreciation and Amortisation Expenses	68	67	79	67
<b>Profit before Tax</b>	<b>84</b>	<b>204</b>	<b>62</b>	<b>117</b>
Less : Current Tax	(18)	(45)	(18)	(45)
Deferred Tax Liability	(16)	(22)	(16)	(22)
<b>Profit after Tax</b>	<b>50</b>	<b>137</b>	<b>28</b>	<b>50</b>

There have been no material changes and commitments that have occurred after close of the financial year till the date of this report, which affect the financial position of the Company. Based on the internal financial control framework and compliance systems established in the Company, the work performed by Statutory, Internal, Secretarial Auditors and reviews performed by the management and/or relevant Audit and other Committees of the Board, your Board is of the opinion that the Company's internal financial controls were adequate and working effectively during financial year 2016-17.

### DIVIDEND

With a view to conserve the resources for future business requirements and expansion plans, your Directors are of view that the current year's profit be ploughed back into the operations and hence no dividend is recommended for the year under review.

### TURNOVER AND COMPANY PERFORMANCE

The total revenue for the financial year under review was ₹ 17,069.31 Millions as against ₹ 38,993.17 Millions showing decrease of 56 % over previous year. Your Company has registered operating profit of ₹ 384.01 Millions as against ₹ 818.64 Millions, showing decrease of 53 % over the previous financial year. The Profit before tax stood at ₹ 83.63 Millions as against ₹ 204.51 Millions in the previous financial year. The Profit after tax stood at ₹ 49.96 Millions as compared to ₹ 137.50 Millions in the previous financial year.

### BUSINESS OVERVIEW

Your company's products viz., Gold Bars and Gold Jewellery are well established in the market. The Company is selling products under 'Zee Gold' which is well known brand. The products of your Company meet the stringent quality standards of purity, weight, shape, size and aesthetic look.

As reported in the preceding year's Note No. 47 of the Annual Report, on 24th April 2015, 60 Kgs of Gold, during transit to factory at Shirpur, was robbed near Nashik, Maharashtra, of which the seizure made was 13.6939 kgs including 2 kgs from site of robbery and other assets of the robbers, were in Police Custody. On 19th April 2017, the company has taken possession of the said seized 13.6939 Kgs of Gold pursuant to the Order of the Hon'ble Session Court. The said seized gold was accounted in the preceding year as part of inventories and is valued as per Ind AS 2. The Claim for balance gold of 46.3061 Kgs valued at ₹ Millions 124.34 including expenses of ₹ Millions 1.83 is pending for settlement with the Insurance company and is accounted as "Claims Receivables" under Other Current Assets. On Finalization of Claim by the insurance company, the difference, if any, between the amount claimed and the actual claim received, which the management does not expect to be material will be charged to Statement of Profit & Loss.

### BUSINESS EXCELLENCE & RECOGNISITON

- In recognition for its excellent achievements, the Company was ranked in following manner by Dun and Bradstreet (D&B) in 'India's Top 500 Companies 2017':
  - 204<sup>th</sup> in terms of Total Income,



- 453<sup>rd</sup> in terms of Net Profit
- 471<sup>th</sup> in terms of Return on Net Worth,
- The Company was selected as authorised Refinery for the Gold Monetization Scheme (GMS) by the Government of India.
- The Company was awarded with Bureau of Indian Standards (BIS) certificate for use BIS hallmark, one of the requirements for participating in the Gold Monetisation Scheme.
- The Company is holding ISO 9001:2015, ISO 14001:2015 and OHSAS 18001:2007 standard certificate for Gold Refinery.

## SUBSIDIARIES

### INTERNATIONAL OPERATIONS

As on March 31, 2017, your Company has two Wholly Owned Subsidiaries namely, Zee Gold DMCC, Dubai ("Zee Gold") and Shirpur Gold Mining Company Private Limited, Singapore ("Shirpur Gold Mining"). and one step down subsidiary namely 'Precious Metals Mining and Refining Limited' ("PMMRL"), Papua New Guinea. During the year under review, the Company has neither formed any new subsidiary, associate or Joint venture nor any company ceased to be subsidiary,

As part of expansion plan, 'Zee Gold' Dubai subsidiary is in process of acquiring 70 % of the shareholding rights of Metallic Exploration And Mining, Mali ("MEAM" or "Target Company") for Gold Mines located at Mali from Midas Gems & Jewellery, DMCC, Dubai ("Midas") and expected to complete the above acquisition in fiscal 2017-18.

'Shirpur Gold Mining', subsidiary is yet to commence its operations. During the year under review, 'PMMRL', step down subsidiary has commenced its trial operations and the 1<sup>st</sup> trial shipment of gold dore bar was sent to the Company in India.

In compliance with Section 129 of the Companies Act, 2013, a statement containing requisite details including financial highlights of each of the subsidiaries is annexed to this report. Further as per Section 136 of the Companies Act, 2013, the audited financials of the each of the subsidiary have been placed on the website of the Company, [www.shirpurgold.com](http://www.shirpurgold.com).

In accordance with the Accounting Standard (AS) – 21 on Consolidated Financial Statements the Audited Consolidated Financial Statements is provided in and forms part of this Annual Report.

### REGISTRAR AND SHARE TRANSFER AGENT

During the year under review, M/s Link Intime India Private Limited the Registrar & Share Transfer Agent ('RTA') of the Company shifted their registered office from C-13, Pannalal Silk Mills Compound, LBS Marg, Bhandup (West), Mumbai 400 078 to their own premises at C 101, 247 Park, LBS Marg, Vikhroli (West), Mumbai 400 083.

Requisite proposal seeking shareholders' approval for maintaining Register & Index of Equity / Preference Shareholders, Register of Transfer and other Registers including Annual Return at the new office of the RTA forms part of Notice of ensuing Annual General Meeting.

## CORPORATE GOVERNANCE AND POLICIES

In order to maximize shareholder value on a sustained basis, your Company has adopted Corporate Governance practices strictly complying with the requirements of SEBI( Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") and applicable provisions of the Companies Act, 2013.

In terms of Schedule V of Listing Regulations, a separate report on Corporate Governance together with the Statutory Auditors' Certificate on compliance is attached to this Annual Report. Management's Discussion and Analysis Report for the year under review, as stipulated under Listing Regulations is presented in a separate section forming part of the Annual Report.

In compliance with the requirements of Companies Act, 2013 and Listing Regulations, your Board has approved various Policies including Code of Conduct for Directors & Senior Management, Material Subsidiary Policy, Insider Trading Code, Document Preservation Policy, Material Event Determination and Disclosure Policy, Fair Disclosure Policy, Corporate Social Responsibility Policy, Whistle Blower and Vigil Mechanism Policy, Related Party Transaction Policy and Remuneration Policy. All these policies and codes have been uploaded on Company's corporate website [www.shirpurgold.com](http://www.shirpurgold.com). Additionally, Directors Familiarisation Programme and Terms and Conditions for appointment of Independent Directors can be viewed on Company's corporate website [www.shirpurgold.com](http://www.shirpurgold.com).

In compliance with regulatory requirements, the Nomination and Remuneration Committee of your Board has fixed criteria for nominating a person on the Board which inter alia include desired size and composition of the Board, age limit, qualification / experience, areas of expertise and independence of individual.

### DIRECTORS AND KEY MANAGERIAL PERSONNEL (KMP)

Your Board currently comprises of 4 Directors including 3 Independent Directors and 1 Non-Executive Director. Independent Directors provide their declarations both at the time of appointment and annually confirming that they meet the criteria of independence as prescribed under Companies Act, 2013 and Listing Regulations. During FY 2016-17 your Board met 5 (Five) times details of which are available in Corporate Governance Report annexed to this report.

Mr. Vimal Kumar Agarawal, Non Executive Non Independent Director resigned from the post of Director with effect from 31<sup>st</sup> January, 2017. Further, Consequent to the resignation from the Board of Company, he had also vacated his position as Managing Director of Zee Gold DMCC, Dubai and as Director of Shirpur Gold Mining Company Pvt. Ltd., Singapore and Precious Metals Mining and Refining Limited, Papua New Guinea, overseas subsidiaries of the Company, with effect from 31<sup>st</sup> January, 2017.

In compliance with Sections 196, 197, 198 and 203 read with Schedule V and other applicable provisions of the Companies Act, 2013 ("Act") and shareholders' approval sought at the 30<sup>th</sup> Annual General Meeting of the Company held on 15<sup>th</sup> September, 2015, Mr. Subhash Pareek was re-appointed as 'Manager' of the Company for a period of three years w.e.f. 5<sup>th</sup> November, 2015.

Mr. Amit Goenka, Non-Executive Chairman is liable to retire by rotation at the ensuing Annual General Meeting and, being eligible he has offered himself for re-appointment. Your Board has recommended his re-appointment.

In compliance with the requirements of Section 203 of Companies Act, 2013, Mr. Subash Pareek, Manager, Ms. Archita Kothari, CFO and Mr. Shyamal Padhiar, Company Secretary continue as Key Managerial Personnel of the Company.

Apart from the resignation of Mr. Vimal Kumar Agarawal, there is no change in the Directorship or Key Managerial Personnel of the Company during the financial year under review.

### **BOARD EVALUATION**

In a separate meeting of Independent Directors, performance of the non-independent directors, performance of the board as a whole and performance of the Chairman was evaluated. Based on such report of the meeting of Independent Directors and taking into account the views of directors, the Board had evaluated its performance on various parameters such as Board composition and structure, effectiveness of board processes, effectiveness of flow of information, attendance, contributions from each directors etc.

### **BOARD COMMITTEES**

In compliance with the requirements of Companies Act, 2013 and Listing Regulations, your Board had constituted various Board Committees including Audit Committee, Nomination & Remuneration Committee, Stakeholders Relationship Committee and Corporate Social Responsibility Committee. Details of the constitution of these Committees, which are in accordance with regulatory requirements, have been uploaded on the website of the Company viz. [www.shirpurgold.com](http://www.shirpurgold.com). Details of scope, constitution, terms of reference, number of meetings held during the year under review along with attendance of Committee Members therein form part of the Corporate Governance Report annexed to this report.

A detailed report on Corporate Social Responsibility, in compliance with the requirements of Companies Act, 2013, is annexed to this report.

### **AUDITORS**

#### **Statutory Audit**

The Statutory Auditors M/s B.S. Sharma and Co., Chartered Accountants, Mumbai, having Firm Registration No 128249W, has carried out Statutory Audit of the Company for the financial year 2016-17 who holds office until the conclusion of the ensuing Annual General Meeting and is eligible for re-appointment. Your Company has received confirmation from the Auditors to the effect that their appointment, if made, will be in accordance with the limits specified under the Companies Act, 2013 and the firm satisfies the criteria specified in Section 141 of the Companies Act, 2013 read with Rule 4 of the Companies (Audit & Auditors) Rules 2014.

Your Board is of the opinion that continuation of M/s. B. S. Sharma and Co., Statutory Auditors for the FY 2017-18 will be in the best interests of the Company and therefore, Members are requested to ratify their re-appointment to carry out the statutory audit for the financial year ended on March 31, 2018. The re-appointment proposed is within the transition period prescribed under the provisions of sub-section (2) of Section 139 of the Companies Act, 2013.

### **Secretarial Audit**

In compliance with the provisions of Section 204 of the Companies Act, 2013, the Company has appointed Mrs. Mita Sanghavi, Practising Company Secretary (CP No. 6364) as secretarial auditor of the Company for the financial year 2016-17. A copy of secretarial audit report is annexed to this report.

The reports of the Statutory Audit & the Secretarial Audit for the year ended March 31, 2017, do not contain any qualifications / reservations. During the year, the Statutory Auditors had not reported any matter under Section 143(12) of the Act, therefore no detail is required to be disclosed under Section 134(3)(ca) of the Act.

### **DISCLOSURES :**

#### **I. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS U/S 186**

The details of loans, investments and guarantee as required u/s 186 of the Companies Act, 2013 read with the Companies (Meetings of Board and its Powers) Rules, 2014 are annexed to the Directors report.

#### **II. RELATED PARTY TRANSACTIONS**

All the related parties transactions entered by the Company during the financial year under review were on arm's length basis, in the ordinary course of business and in compliance with the applicable provisions of the Companies Act, 2013 and Listing Regulations. During FY 2016-17, there are no materially significant Related Party Transactions by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons which may have a potential conflict with the interest of the Company at large.

During the year under review, there have been no materially significant related party transactions as defined under Section 188 of the Act and Regulations 23 the Listing Regulations and accordingly no transactions are required to be reported in Form AOC-2 as per Section 188 of the Companies Act, 2013.

#### **III. INTERNAL FINANCIAL CONTROL AND THEIR ADEQUACY**

Your Company has approved internal financial controls and policies/procedures to be adopted by the Company for orderly and efficient conduct of the business including safeguarding of assets, prevention and detection of frauds and errors, ensuring accuracy and completeness of the accounting records and the timely preparation of reliable financial information. The Audit Committee evaluates the internal financial control system periodically.