



SHREE PRECOATED STEELS LIMITED

12th

**ANNUAL REPORT
2019-20**



SHREE PRECOATED STEELS LIMITED

CONTENTS

	Page No.
Corporate Information.....	1
Notice	2
Director's Report & Management Discussion Analysis	10
Corporate Governance Report	40
MD/CFO Certification	57
Auditor's Certificate on Corporate Governance	58
Independent Auditor's Report	59
Balance Sheet	65
Statement of Profit & Loss Account.....	66
Cash Flow Statement.....	68
Notes to Financial Statement.....	69



CORPORATE INFORMATION

BOARD OF DIRECTORS

MR. AMBALAL C. PATEL
(DIN: 00037870)

MR. HARSH L. MEHTA
(DIN: 01738989)

MS. AARTI M. RAMANI
(DIN: 06941013)

MR. NILESH H. SARVAIYA
(DIN: 00799636)

CHAIRMAN NON-EXECUTIVE INDEPENDENT DIRECTOR

MANAGING DIRECTOR

INDEPENDENT WOMAN DIRECTOR

NON-EXECUTIVE PROFESSIONAL DIRECTOR

CHIEF FINANCIAL OFFICER

MR. HARISH G. TAPARIA*

MR. SURESH N. PITALE**

* Resigned on 5th July, 2019

** Appointed on 9th August, 2019

COMPANY SECRETARY & COMPLAINTS OFFICER

MR. AKSHAY R. SHARMA

REGISTERED OFFICE

1, Ground Floor, Citi Mall,
New Link Road, Andheri (W)
Mumbai: 400 053
Tel: +91-7208182677
Email: spsl.investors@gmail.com
Website: www.spsl.com

REGISTRAR & SHARE TRANSFER AGENT

Sharex Dynamic (India) Private Limited
C 101, 247 Park, L B S Marg,
Mumbai - 400083
Tel: 022 28515606, Fax: 022 28512885
Email: support@sharexindia.com / rnt.hepldesk@linkintime.co.in
Website: www.sharexindia.com / www.linkintime.co.in

CORPORATE IDENTITY NUMBER (CIN)

L70109MH2007PLC174206

AUDITORS

M/s. Manesh Mehta & Associates,
Chartered Accountants,
611-701, Centre Point, R.C. Dutt Road,
Alkapuri, Vadodara – 390007
Firm Reg. No. 115832W

TWELFTH ANNUAL GENERAL MEETING

Date : 30th September, 2020

Day : Wednesday

Time : 11:00 A.M.

BOOK CLOSURE DATE:

From Saturday, 26th September, 2020 to
Wednesday, 30th September, 2020
(Both days inclusive)



Notice

NOTICE is hereby given that the 12th Annual General Meeting of the Shareholders of the Shree Precoated Steels Limited will be held on **Wednesday, the 30th day of September, 2020 at 11:00 am**, Indian Standard Time ("IST"), through Video Conferencing/ Other Audio Visual Means ("VC/OAVM") Facility to transact following business:

ORDINARY BUSINESS:

Item no.1: Adoption of Financial Statements

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

"RESOLVED THAT the Audited Financial Statements for the financial year ended 31st March, 2020 including the Audited Balance Sheet as at 31st March, 2020 and Statement of Profit & Loss for the year ended on that date and the Reports of the Board and Auditors thereon be and are hereby considered, approved and adopted."

Item No.2 : Appointment of Director

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

"RESOLVED THAT Mr. Harsh L. Mehta holding DIN:01738989, who retires by rotation and being eligible for re-appointment, be and is hereby re-appointed as a Managing Director of the Company."

Item No.3 : Ratification of appointment of auditors

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

"RESOLVED THAT pursuant to Section 139, 142 and other applicable provisions of the Companies Act, 2013 and the Rules made thereunder, as amended from time to time, pursuant to the recommendations of the audit committee of the Board of Directors, and pursuant to the resolution passed by the members at the 11th Annual General Meeting held on December 20, 2019, the appointment of M/s Manesh Mehta & Associates, Chartered Accounts (Firm Registration No. 115832W) as the Auditors of the Company, be and is hereby ratified to hold the office from conclusion of the 12th Annual General Meeting until the conclusion of the 13th Annual General Meeting of the Company and that the Board of Directors be and is hereby authorized to fix the remuneration payable to them for the financial year ending March 31, 2021, as may be determined by the audit committee in consultation with the auditors, and that such

remuneration may be paid on a progressive billing basis as may be agreed upon between the auditors and the audit committee / Board of Directors."

SPECIAL BUSINESS:

Item N0.4 :Re-classification of Promoters of the Company as a Public Shareholder

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

"RESOLVED THAT pursuant to Regulation 31A and any other applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 including any amendment(s) or modification(s) made thereto from time to time and any other laws and regulations as may be applicable from time to time, and subject to the necessary approvals of the Stock Exchange and other appropriate statutory authorities as may be necessary, the consent of the members of the Company be and is hereby accorded for re-classification of following entity from Promoter/ Promoter group category to Public category, since the entity is neither involved in the management of the Company nor exercise control over the affairs of the Company directly or indirectly and hold not more than 10% of the total voting rights in the Company and also none of the following entity have entered into any shareholder's or other agreement with the Company nor they have any veto rights or special information rights or special rights as to voting power or control of the Company.

Sr. No	Name of the Entity	No of Equity Shares held	% of total Equity Shares Capital
1	Fahrenheit fun and games Private Limited	2,91,666	7.05

RESOLVED FURTHER THAT pursuant to Regulation 31A (3) sub clause (b) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Sixth Amendment) Regulations, 2018, it is hereby confirmed that, the aforesaid entity seeking reclassification:

- do not hold more than ten percent of the total voting rights in the Company;
- do not exercise control over the affairs of the Company directly or indirectly;



- iii. do not have any special rights with respect to the Company through formal or informal arrangements including through any shareholder agreements;
- iv. have not been represented on the Board of Directors (including not having a nominee director) of the Company;
- v. is not a 'willful defaulter' as per the Reserve Bank of India Guidelines; and,
- vi. is not a fugitive economic offender.

RESOLVED FURTHER THAT for the purpose of giving effect to the above resolution for Reclassification of Promoter/ Promoter Group to Public Shareholding, the Board or the officers authorized by the Board in this regard be and are hereby authorized to do all such acts, deeds, matters and things as may be necessary or expedient and to settle any questions, difficulties or doubts that may arise in this regard and to submit all the requisite applications, representations, filings etc. with the Stock Exchange and other regulatory authorities as may be required in this regard without requiring the Board to secure any further consent or approval of the members of the Company"

By Order of the Board of Directors
For Shree Precoated Steels Limited

Ambalal C Patel
Chairman
DIN: 00037870

Place : Mumbai,

Date : 27th July, 2020

CIN: L70109MH2007PLC174206

Registered Office:

"Citi Mall", 1, Ground Floor,
New Link Road, Andheri (W),
Mumbai – 400 053, Maharashtra,
Tel.: +91-7208182677,
Email Id: spsl.investors@gmail.com
Website: www.spsl.com

NOTES:

1. In view of the continuing Covid-19 pandemic, the Ministry of Corporate Affairs ("MCA") has vide its circular dated May 5, 2020 read with circulars dated April 8, 2020 and April 13, 2020 (collectively referred to as "MCA Circulars") permitted the holding of the Annual General Meeting ("AGM") through VC / OAVM, without the physical presence of the Members at a common

venue. In compliance with the provisions of the Companies Act, 2013 ("Act"), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") and MCA Circulars, the AGM of the Company is being held through VC / OAVM.

Hence, the member can attend & participant in ensuring AGM through VC / OAVM Only. The Proceeding of AGM will be deemed to be conducted at the registered office of the Company which shall be the deemed venue of the AGM.

2. The relevant details, pursuant to Regulations 26 and 36(3) of the SEBI Listing Regulations and Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India, in respect of Director seeking re-appointment at this AGM is annexed.
3. Pursuant to the provisions of the Act, a Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/ her behalf and the proxy need not be a Member of the Company. Since this AGM is being held pursuant to the MCA Circulars through VC / OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.
4. Institutional / Corporate Shareholders (i.e. other than individuals / HUF, etc.) are required to send a scanned copy (PDF/JPG Format) of its Board or governing body Resolution/ Authorization etc., authorizing its representative to attend the AGM through VC / OAVM on its behalf and to vote through remote e-voting. The said Resolution/Authorization shall be sent by email through its registered email address to spsl.investors@gmail.com with a copy marked to evoting@nsdl.co.in
5. As per Regulation 40 of SEBI Listing Regulations, as amended, securities of listed companies can be transferred only in dematerialized form with effect from, April 1, 2019, except in case of request received for transmission or transposition of securities. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Members can contact the Company or Company's Registrars and Transfer Agents, Sharex Dynamic India Private Limited ("RTA") for assistance in this regard.



6. As per the provisions of Section 72 of the Act, the facility for making nomination is available for the Members in respect of the shares held by them in physical. Members who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13 to RTA. Members are requested to submit the requisite details to their Depositors Participant (DP) in case the shares are held by them in electronic form.
7. Members holding shares in physical form, in identical order of names, in more than one folio are requested to send to the Company or RTA, the details of such folios together with the share certificates for consolidating their holdings in one folio. A consolidated share certificate will be issued to such Members after making requisite changes.
8. In case of joint holders, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote at the AGM.
9. Members seeking any information with regard to the accounts or any matter to be placed at the AGM, are requested to write to the Company on or before 23rd September, 2020 through email on spsl.investors@gmail.com. Such questions by the Members shall be taken up during the meeting and replied by the Company suitably. No speakers will be allowed to raised query during the AGM.
10. In compliance with the aforesaid MCA Circulars and SEBI Circular dated May 12, 2020, Notice of the AGM along with the Annual Report 2019-20 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/ Depositories. Members may note that the Notice and Annual Report 2019-20 will also be available on the Company's website www.spsl.com, website of the Stock Exchange i.e. BSE Limited at www.bseindia.com and on the website of NSDL <https://www.evoting.nsdl.com>
11. Members attending the AGM through VC / OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
12. Since the AGM will be held through VC / OAVM, the Route Map is not annexed in this Notice.
13. Instructions for e-voting and joining the AGM are as follows:

A. VOTING THROUGH ELECTRONIC MEANS:-

- i. In compliance with the provisions of Section 108 of the Act, read with Rule

20 of the Companies (Management and Administration) Rules, 2014, as amended from time to time, and Regulation 44 of the SEBI Listing Regulations, the Members are provided with the facility to cast their vote electronically, through the e-voting services provided by NSDL, on all the resolutions set forth in this Notice. The instructions for e-voting are given herein below.

- ii. The remote e-voting period commences on Sunday, 27th September, 2020 at 09:00 A.M. India Standard Time (IST) and ends on Tuesday, 29th September, 2020 at 05:00 P.M. IST. During this period, Members holding shares either in physical form or in dematerialized form, as on 23rd September, 2020 i.e. cut-off date, may cast their vote electronically. The e-voting module shall be disabled by NSDL for voting thereafter. Those Members, who will be present in the AGM through VC / OAVM facility and have not cast their vote on the Resolutions through remote e-voting and are otherwise not barred from doing so, shall be eligible to vote through e-voting system during the AGM.
- iii. The Board of Directors has appointed Mr. Haresh Sanghvi (Membership No. FCS 2259), Practicing Company Secretary as the Scrutinizer to scrutinize the voting during the AGM and remote e-voting process in a fair and transparent manner.
- iv. The Members who have cast their vote by remote e-voting prior to the AGM may also attend/ participate in the AGM through VC / OAVM but shall not be entitled to cast their vote again.
- v. The voting rights of Members shall be in proportion to their shares in the paid-up equity share capital of the Company as on the cut-off date.
- vi. Any person, who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holding shares as of the cut-off date, may obtain the login ID and password by sending a request at evoting@nsdl.co.in. However, if he/she is already registered with NSDL for remote e-voting then he/she can use his/her existing User ID and password for casting the vote.
- vii. The details of the process and manner for remote e-voting are explained herein below:

Step 1: Log- in to NSDL e- voting system at <https://www.evoting.nsdl.com/>

Step 2: Cast your vote electronically on NSDL e- voting system.



Details on Step 1 are mentioned below:

How to Log-in to NSDL e-voting website?

1. Visit the e-voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-voting system is launched, "Login" which is available under 'Shareholders' section.
3. A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL e-services i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL e-services after using your log-in credentials, click on e-voting and you can proceed to Step 2 i.e. cast your vote electronically.

4. Your User ID details are given below

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****.
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company. For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Your password details are given below:

- a) If you are already registered for e-voting, then you can use your existing password to login and cast your vote.
- b) If you are using NSDL e-voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you by NSDL. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.

- c) How to retrieve your 'initial password'?

- i) If your email ID is registered in your demat account or with the Company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL in your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The pdf file contains your 'User ID' and your 'initial password'.

- ii) If your email ID is not registered, please follow steps mentioned below in process for those shareholders whose email ids are not registered.

6. If you are unable to retrieve or have not received the "initial password" or have forgotten your password:

- a) Click on "**Forgot User Details / Password?**" (If you are holding shares in your demat account with NSDL or CDSL) option available on <https://www.evoting.nsdl.com>
- b) "**Physical User Reset Password?**" (If you are holding shares in physical mode) option available on <https://www.evoting.nsdl.com>
- c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address.
- d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.



SHREE PRECOATED STEELS LIMITED

7. After entering your password, click on Agree to "Terms and Conditions" by selecting on the check box.
8. Now, you will have to click on "Login" button.
9. After you click on the "Login" button, Home page of e-voting will open.

Details on Step 2 are mentioned below:

How to cast your vote electronically on NSDL e-voting system?

1. After successful login at Step 1, you will be able to see the Home page of e-voting. Click on e-voting. Then, click on Active Voting Cycles.
2. After click on Active Voting Cycles, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle is in active status.
3. Select "EVEN" for relevant <Shree Precoated Steels Limited> on which you choose to vote.
4. Now you are ready for e-Voting as the Voting page opens.
5. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
6. Upon confirmation, the message "Vote cast successfully" will be displayed.
7. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
8. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders

1. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.
2. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free

no.: 1800-222-990 or send a request to (Ms. Sarita Mote) at evoting@nsdl.co.in

Process for those shareholders whose email ids and bank details are not registered with the Depositories/ Company.

1. Registration of email ID for shareholders holding physical shares:

The Members of the Company holding Equity Shares of the Company in physical Form and who have not registered their e-mail addresses may get their e-mail addresses registered with Link Intime India Private Limited, by clicking the link: https://linkintime.co.in/emailreg/email_register.html in their web site www.linkintime.co.in at the Investor Services tab by choosing the E mail / Bank Registration heading and follow the registration process as guided therein. The members are requested to provide details such as Name, Folio Number, Certificate number, PAN , mobile number and e mail id and also upload the image of share certificate in PDF or JPEG format. (upto 1 MB) . In case of any query, a member may send an e-mail at rnt.helpdesk@linkintime.co.in

2. For Temporary Registration for Demat shareholders:

The Members of the Company holding Equity Shares of the Company in Demat Form and who have not registered their e-mail addresses may temporarily get their e-mail addresses registered with Link Intime India Private Limited by clicking the link: https://linkintime.co.in/emailreg/email_register.html in their web site www.linkintime.co.in at the Investor Services tab by choosing the E mail Registration heading and follow the registration process as guided therein. The members are requested to provide details such as Name, DPID, Client ID/ PAN, mobile number and e-mail id. In case of any query, a member may send an e-mail at rnt.helpdesk@linkintime.co.in

On submission of the shareholders details an OTP will be received by the shareholder which needs to be entered in the link for verification.

3. Registration of Bank Details for physical shareholders

The Members of the Company holding Equity Shares of the Company in physical Form and who have not registered their bank details can get the same registered with Link Intime India Private Limited, by clicking the link: <https://>



linkintime.co.in/emailreg/email_register.html in their web site www.linkintime.co.in at the Investor Services tab by choosing the E mail/Bank Registration heading and follow the registration process as guided therein. The members are requested to provide details such as Name, Folio Number, Certificate number, PAN, email id along with the copy of the cheque leaf with the first named shareholders name imprinted in the face of the cheque leaf containing bank name and branch, type of account, bank account number, MICR details and IFSC code in PDF or JPEG format. In case of any query, a member may send an e-mail at rnt.helpdesk@linkintime.co.in

On submission of the shareholders details an OTP will be received by the shareholder which needs to be entered in the link for verification.

4. For Permanent Registration for Demat shareholders

It is clarified that for permanent registration of e-mail address, the Members are requested to register their e-mail address, in respect of demat holdings with the respective Depository Participant (DP) by following the procedure prescribed by the Depository Participant.

The instructions for members for e-voting on the day of the AGM are as under:-

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members/ shareholders, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.
3. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting.

Instructions for members for attending the AGM through VC/OAVM are as under:

1. Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may

access the same at <https://www.evoting.nsdl.com> under shareholders/members login by using the remote e-voting credentials. The link for VC/OAVM will be available in shareholder/members login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush. Further members can also use the OTP based login for logging into the e-Voting system of NSDL.

2. Members are encouraged to join the Meeting through Laptops for better experience.
3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
5. Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available for 1,000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
6. The voting rights of shareholders shall be in proportion to their shares of the paid-up equity share capital of the Company as on the cut-off date of 23rd September, 2020.
7. The remote e-voting module shall be disabled for voting thereafter. Once the vote on a resolution is cast by the Member, the Member shall not be allowed to change it subsequently. Further, the Members who have cast their vote by remote e-voting shall not vote by e-voting conducted during the Meeting.



8. The Company has appointed Mr. Haresh Sanghvi, Practising Company Secretary as the Scrutinizer to scrutinize the voting and remote e-voting process in a fair and transparent manner.
9. The Chairman shall, at the Annual General Meeting, at the end of discussion on the resolutions on which voting is to be held, allow e-voting for all those members who are present at the Annual General Meeting by electronic means but have not cast their votes by availing the remote e-voting facility.
10. The Scrutinizer shall after the conclusion of voting at the Annual General Meeting, will first count the votes casted during the AGM 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, not later than 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 a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
11. The Results declared along with the report of the Scrutinizer shall be placed on the website of the Company **www.spsl.com** immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to the Stock Exchange, where the shares of the Company are listed.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

As required by Section 102 of the Companies Act, 2013, the following explanatory statement sets out all the material facts relating to the business mentioned.

Item No.4:

Regulation 31A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred as "Listing Regulations") has provided a regulatory mechanism for Reclassification of Promoters & Promoter group as Public Shareholders subject to fulfillment of conditions as provided therein. In this regard, the Company received application from Fahrenheit Fun and Games Private Limited (hereinafter referred to as the "Outgoing Promoter Entity") requesting to be reclassified from the category of "Promoter and Promoter Group" to "Public Category"

The promoter shareholder is neither involved in the management of the company nor exercises control over affair of the company directly or indirectly and neither holds more than 10% of total voting rights in the company. In consideration to the conditions as stipulated in Regulation 31A of the Listing Regulations, the Board of Directors of the Company at their meeting held on June 29, 2020 has approved

the application for reclassification received by the Company from the Outgoing Promoter Entity, subject to approval by the members and relevant regulatory authorities. Further as per Regulation 38 of the Listing Regulations, the public shareholding as on date of the notice fulfils the minimum public shareholding requirement of at least 25% and the proposed reclassification does not intend to increase the public shareholding to achieve compliance with the minimum public shareholding requirement. Further, in accordance with Regulation 31A of the Listing Regulations, the said reclassification requires the approval of the Stock Exchange.

None of the Directors, Key Managerial Person, or their relatives except the Outgoing Promoter Entity and their associates are concern interested to the extent of their shareholding in the Company.

The Board recommends the passing of the resolution as set out under item no. 4 for approval of the Members.

The relevant documents in this regard are available for inspection between 11:00 a.m. to 1:00 p.m. on all working days till the date of AGM i.e September 30, 2020, at the Registered Office of the Company.